Towards a Framework For Native Economic Development Policies And Programs In Ontario

A Discussion Paper
Prepared by:

J. Phillip Nicholson, Policy and Management Consultants Inc. (Ottawa)

and

Onchiota Inc.
(Deseronto)

For

Ontario Native Affairs Directorate
Government of Ontario

VOLUME I
MAIN REPORT
AND
APPENDICES A & B

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February 11, 1987

The Honourable Ian Scott
Minister Responsible for
Native Affairs
Government of Ontario
18 King Street E.
Toronto, Ontario

Dear Minister,

Together with the native consulting firm Onchiota Inc., I am pleased to submit for your consideration the attached discussion paper: **Towards a Framework for Native Economic Development Policies and Programs in Ontario.**

This discussion paper is based upon extensive research conducted by our firms, with input from a variety of federal & provincial ministries and numerous native organizations, community groups and individuals who participated in a preliminary round of background research consultations over the course of the summer and fall of 1986.

We have attempted to faithfully reflect the many valuable observations, concepts and recommendations put forward by native people and government officials alike. Naturally, we accept responsibility for the final contents of this paper. We hope that it will prove to be a useful document to promote and support meaningful discussions which will ultimately contribute to the strengthening and improvement of policies and programs in support of native economic development in Ontario.

We gratefully acknowledge the support and direction offered by members of your staff in the Ontario Native Affairs Directorate and by representatives from the various Ontario ministries represented on the interministerial committee.

Sincerely,

J. Phillip Nicholson
President

ONCHIOTA
CORPORATION

February 11, 1987

The Honourable Ian Scott
Minister Responsible for
Native Affairs
Government of Ontario
18 King Street E.
Toronto, Ontario

Dear Minister,

Together with J. Phillip Nicholson Policy and Management Consultants Inc., I am pleased to submit the attached discussion paper: **Towards a Framework for Native Economic Development Policies and Programs in Ontario.**

As a native person, I can assure you that this discussion paper will be a welcome document not only amongst government ministries and agencies with responsibilities for and/or impacts on native economic conditions and opportunities, but also within native communities throughout Ontario. I look forward to the prospects of new and positive initiatives in support of native economic development, both from a community development point of view and on behalf of individual native entrepreneurs and businesses.

Sincerely,

Richard Maracle

Richard Maracle
President

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TOWARDS A FRAMEWORK FOR NATIVE ECONOMIC DEVELOPMENT POLICIES AND PROGRAMS IN ONTARIO

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Onchiota Inc.
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For:

Ontario Native Affairs Directorate
Government of Ontario

February 11, 1987

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TOWARDS A FRAMEWORK FOR NATIVE ECONOMIC DEVELOPMENT POLICIES AND PROGRAMS IN ONTARIO

FOR DISCUSSION PURPOSES ONLY

The observations, opinions and recommendations herein do not necessarily reflect those of the Government of Ontario.

Contents

Page

Volume I

Executive Summary

I Introduction 1

II Key Terms and Concepts 13

III Context 19

IV Socio-Economic and Business Profile 42

V Development Opportunities 55

VI Economic Programs 87

VII Constraints to Development 111

VIII Conclusions 125

IX Proposed Framework for Government Support to Native Economic Development 146

X Implications 168

Appendix A: Research Consultations

Appendix B: Interministerial Committee Representation

Volume II

Appendix C: Socio-Economic and Business Profile: Details

Appendix D: Economic Programs: Details

Appendix E: Future Information and Research Requirements

Executive Summary

BACKGROUND

This discussion paper was prepared by the firms of ***J. Phillip Nicholson Policy and Management Consultants Inc.*** (Ottawa) and ***Onchiota Inc.*** (Deseronto), for the ***Ontario Native Affairs Directorate*** (formerly the Office of Native Affairs Policy), Government of Ontario. The discussion paper was prepared in response to a decision of the Ontario Cabinet in October, 1985 establishing a new Corporate Native Affairs Policy Framework, based on the following three key principles:

- aboriginal peoples should receive provincial programs and services on a non-discriminatory basis to meet their needs to the extent that provincial legislation of general application occupies the field, and to the extent that ministry budget allocations in program planning permit;
- ministries are encouraged to develop native-specific services to meet the needs of native people and to support the protection of their cultures; and
- to the extent that provincial programs and services apply, or may continue to apply, to native people, those programs and services should emphasize initiatives supportive of native self-determination and self-reliance and should be developed in consultation with native people.

This discussion paper, together with its detailed appendices:

- reviews the ***context*** within which native economic development initiatives are expected to be implemented

- provides a ***socio-economic and business profile*** of native people in Ontario, including the most comprehensive statistical evidence to date of native economic conditions and circumstances

- highlights and assesses ***major development opportunities and related factors*** facing native people and their communities in various regions of the province

- reviews the ***existing economic and business development programs*** available to native people in Ontario via federal, provincial, native and private-sector organizations

- outlines and assesses the ***major constraints to successful economic development*** facing native people, taking into account geographic, cultural, legal, institutional and other factors

- proposes a ***policy framework for the Government of Ontario to provide support to native economic development***, including guiding principles specific to economic development based on the Cabinet-approved Corporate Native Affairs Policy Framework

The discussion paper was based upon an extensive round of background research consultations conducted by the two consulting firms with representatives of all relevant federal and provincial ministries, as well as numerous native organizations, enterprises and individuals throughout the province.

MAJOR FINDINGS

Economic Conditions and Prospects

- With 110,545 native people in the province as of 1981, Ontario accounts for one-fifth of all natives in Canada, including one-third of non-status Indians and one-quarter of status Indians.
- The 77,145 status Indians account for more than two-thirds (70%) of the total native population in Ontario; more than half of these live on-reserve.
- Almost one-fifth (19%) of native people in Ontario are non-status Indians and an additional one-tenth (10%) are Métis. Only 1% are Inuit.
- More than half (58%) of the native population resides in southern Ontario, although fully one-third lives in the far north and northwestern regions (Algoma, Cochrane, Thunder Bay, Rainy River and Kenora Districts).
- Although only half (50%) of all native people in Ontario live in urban centres of 1,000 population or more (compared to 82% for non-natives), this pattern is heavily influenced by the status Indians living on rural reserves; almost one-third (30%) of native people are concentrated in 7 major urban centres (Toronto; Ottawa-Hull; Hamilton; Sudbury; Sault Ste. Marie; Thunder Bay; London).
- In general, employment, income and educational attainment conditions are significantly worse for native people than for non-natives; this is particularly true for status Indians - especially those living on-reserve.

- In 1981 almost two-thirds (64%) of non-natives 15 years of age or over no longer in school were successfully employed, compared to only three-fifths (59%) of Métis, non-status Indians and Inuit combined; one-half (52%) of status Indians living off-reserve and only slightly more than one-third (36%) of status Indians living on-reserve.

- More than two-thirds of native people 15 years of age and over and no longer in school in 1980 earned less than $10,000 per year, compared to only slightly more than one-half of non-natives.

- In 1980, the average income of status Indians on-reserve was $6,802 - only one-half that of non-natives ($13,359).

- In 1981, only 28% of status Indians and 39% of other natives had attained a high school diploma or higher, compared to 51% of non-natives.

- Educational attainment is a significant factor improving the employment and income prospects of native people. Among those with higher levels of educational attainment, the employment rates and income levels more closely approximate (and in some cases exceed) those of non-natives. For example, native people with no schooling have employment rates of only 17%, compared to 33% for non-natives. By contrast, native people with a university diploma or degree enjoy 90% employment, compared to 85% for non-natives.

- Although the economic development prospects on or near native communities varies considerably from region to region, there is considerable untapped economic development potential available to many native communities (provided appropriate financial, technical and other forms of support are available). For example, Indian reserves have higher per capita prime farmland than do other areas of the province. Many other primary resource-based opportunities have not been fully exploited as a result of a number of constraints facing native people and enterprises. Nor have native people successfully penetrated manufacturing, processing, retail and service opportunities within their own communities or in the mainstream economy

- Since fully three-quarters of employed natives are active in the tertiary (i.e. service) sector of the economy (as is true for non-natives), future economic prospects cannot rely solely on the primary resource-based industries - especially those such as forestry and mining which are experiencing either short or longer-term stagnation or decline.

- Although relatively little is known about the full range of native-owned and controlled business enterprises in Ontario, it is clear that there are more than 1,100 Indian-owned and controlled businesses alone, covering a wide spectrum of primary (i.e. resource-based), secondary (i.e. processing and manufacturing) and tertiary (i.e. service) activities. In addition, a number of native-owned and controlled non-profit economic development institutions have emerged in recent years to play an important intermediary role in supporting the growth, development and viability of native businesses and related community development enterprises. Although not as well-developed as those in western provinces, these native institutions are proving to be possible alternative delivery mechanisms for certain economic programs.

Economic Programs

- There are more than 130 distinct economic and/or employment business development programs offered by 8 federal and 12 provincial ministries and several non-profit native and private sector organizations.

- Existing programs and services cover a wide range of sectors and activities, and constitute an important base for native people to gain access to the information, advice and financial support required for successful economic development. In many cases, funds and technical support are already available, and the major challenge is for native people to improve their access to, and participation in, existing programs.

- Although the provincial government has more economic development programs available in Ontario (78) than the federal government (40), the majority of provincial programs (90%) are universal in nature and therefore are not targeted exclusively to the unique needs of native people. Two-thirds of the native-specific programs are delivered by the federal government. However, the majority of these are devoted to status Indians - especially those living on-reserve.

- Economic program delivery in the north, rural and remote areas are inadequate in relation to the particular needs of native people.

- With a few notable exceptions (e.g. agriculture, fisheries, forestry and mining) most of the programs are general (i.e. non-sectoral specific).

- With the exception of short-term job creation programs, services for native women and native youth are inadequate, and resources do not reflect the severity of the economic and employment challenges facing these groups.

- With the exception of job creation and employment equity strategies catering to native people in general, there are no significant programs catering directly to the unique needs of Métis, non-status Indians and/or Inuit. Similarly, there are no specific strategies catering to the special needs of native peoples living in major urban centres.

- The overall level of resources targeted to native economic development is inadequate in relation to the level of need and opportunity.

- Inadequate attention is paid to the creation of sustainable capacity on the part of native communities and enterprises. Dependency continues to be reinforced.

- There is an insufficient number of programs catering to the needs of native enterprises and entrepreneurs (most programs focus on individuals, i.e. workers, or the community at large).

- There is insufficient provision for native control over and participation in the design and delivery of existing programs.

- Private sector involvement in native economic development is limited.

Constraints to Successful Native Economic Development

Despite the many inherent qualities, capabilities and resources available to native people for economic development, and despite the existence of a wide range of government and private-sector programs, there are serious constraints facing native people in achieving economic development and self-reliance. Initiatives aimed at improving personal and business opportunities will not be successful unless the following are tackled directly:

- attainment of appropriate forms and levels of ***formal education***
- development and/or enhancement of ***business skills and experience***
- improved access to ***investment capital***
- improved ***access to labour and commodity markets***
- development and improvement of ***community and commercial infrastructure***
- improved legal and institutional ***access to natural resources***
- improved ***access to industrial and commercial technology***

- ***separation of native political vs. native economic objectives*** and activities
- improved ***relevance, accessibility and funding of government and private sector programs*** and their related delivery mechanisms

PROPOSED FRAMEWORK FOR GOVERNMENT SUPPORT TO NATIVE ECONOMIC DEVELOPMENT

A three-part policy framework is proposed to guide the government in addressing native economic development issues in Ontario:

i) ***acknowledgement and understanding*** of the diverse ***needs, opportunities and development potential*** facing native people in Ontario, and ***demonstrated commitment*** to providing appropriate government support

ii) translation of the existing ***corporate native affairs policy*** into a native economic development context

iii) recognition and establishment of ***linkages between native economic development initiatives*** and the government's ***broader social and economic policies***, priorities and strategies

This report recommends that the government's strategy for supporting native economic development can and should only be finalized after consultation with native peoples and their representatives. This proposed framework is included to promote and focus such discussions and consultations.

I *Acknowledgement and Understanding of Native Economic Development Needs and Potential*

The paper calls for a ***clear, firm and visible commitment*** on the part of the government to responding to the real economic needs and opportunities facing native people throughout the province. This requires an ***acknowledgement and understanding of the significant disparities in economic status*** between most native people and other people in Ontario. It also involves a ***recognition of the diversity*** in such economic conditions and circumstances from setting to setting.

Government policies and strategies must be based on a ***firm conviction that there are significant untapped opportunities*** for improved economic performance among native people.

Clear and visible commitment to appropriate government support can be achieved in several ways:

- assignment of ***greater financial and government personnel resources*** to native economic development programs and services
- provision of ***more government leadership*** to educate and inform the public and business communities about native economic needs, opportunities and prospects, and to promote greater levels of business interaction between natives and non-natives
- ***more frequent and regular focusing of Cabinet attention*** to native policy and program matters, including better consideration of native economic concerns within broader economic development strategies
- ***improved government responsiveness to native requests and proposals*** for action on related policy and program matters
- ***adoption of special measures*** (e.g. program eligibility and resource allocation criteria, employment equity, affirmative action, compliance legislation, etc.) to ensure equality of economic opportunity for native peoples and to address and offset the unique and/or disproportionate barriers and obstacles facing native people

II *Translation of Corporate Native Affairs Policy into Economic Development Context*

It is recommended that the Corporate Native Affairs Policy approved by Cabinet in October, 1985 be translated into terms directly relevant to economic development programs:

A. Commitment to Aboriginal Self-Government ("self-determination")

The Government of Ontario must recognize that ***self-government is only meaningful within the broader context of self-reliance. Government policies and initiatives related to a recognition of self-government should be supported by parallel initiatives which help native people and communities to develop their own capacity for on-going economic growth, viability, self-reliance and independence.***

In the economic realm, ***aboriginal self-determination can take many forms***:

- ***consultation mechanisms and processes*** for native input to economic policy and program development
- involvement of ***native economic development workers*** in economic programs
- appointment of ***native advisors and/or advisory boards*** to guide policy/program development
- establishment of ***special native components*** of economic programs under native control
- support for creation and/or utilization of ***native-owned and controlled economic institutions*** for program delivery
- provision of ***block funding*** for economic development purposes, to appropriate ***native governments/government bodies***

B. Increased Self-Reliance

A principal goal is for native people, with appropriate support from government and the private sector, to increase their overall self-reliance and self-sufficiency, as measured by:

- creation of, and improved access to ***meaningful, rewarding and secure jobs*** for native men and women
- enhancement of economic and employment ***choices***, for males and females alike, in native and/or mainstream economies
- establishment, expansion and enhancement of ***native-owned and controlled businesses and enterprises***
- creation of native-owned and controlled ***wealth***, in terms of ***financial capital, community capital, human skills and institutional capacity***
- improvement in ***overall economic conditions and performance*** at the individual, family, community and regional levels so as to enhance ***financial security, employment equity, and economic choices***, will reduce in dependence on government support

C. Respect for Native Cultures

There is no single native culture in Ontario, but rather a multiplicity of cultures and traditions reflecting different ethnic, linguistic, geographic and cultural circumstances of different native groups, communities and regions. In economic terms, respect for native culture and traditions involves respect for the following:

- ***historic importance attached to access to land and natural resources***
- significance of ***traditional and non-wage pursuits***

- ***alternative business ownership, management and control patterns*** (e.g. extended family participation, tribal and/or band ownership, etc.)

- the special significance of ***cultural traditions and their relationships to commerce*** (e.g. native arts and crafts)

- the importance of natives having ***choice and control*** over economic conditions in pursuit of their own economic, cultural and social objectives

- the importance of ***family and community values***

D. Consultations on Policy and Program Development

A commitment to appropriate levels and forms of native consultation on broad economic policy and program strategy matters must be reinforced by a ***further commitment to detailed consultations with native groups on all native-specific programs***, and with native communities on community-based programs and projects. This must apply ***not only to new policy and program initiatives*** but ***equally to planning and impact assessment processes***.

E. Adoption of Developmental Approach

A pro-active and longer-term developmental approach, rather than a reactive and remedial "safety net" approach is required. This calls for a commitment to the following concepts and principles:

i) the overall approach should focus on ***building a capacity***. The object of government assistance should be to equip and enable native entrepreneurs, individuals and communities to assert control over the factors and resources necessary to improved economic development.

ii) programs of support should address the ***full range of opportunities*** available to native people

iii) the ***level and pace of development*** and the ***forms and mechanisms of program delivery*** should respect the needs and circumstances of the different native groups, taking into account different levels of development, priorities and capacities

iv) support for native economic development should focus on the achievement of ***sustainable, long-term economic develpoment*** which maximizes access to meaningful employment and rewarding pursuits. The adoption of short-term job creation approaches should be abandoned.

v) There is a need for a ***balanced approach*** to efforts which focus on ***native entrepreneurs and enterprises*** as well as broader ***community-socio-economic deveopment***

vi) native economic development should involve ***native people playing the primary role*** in planning and shaping their own economic future. ***Balanced contributions from the government, private and voluntary sectors are required.***

vii) economic development strategies should allow for ***differentiation*** along several dimensions

- ***specific economic sectors*** (e.g. agriculture, forestry, tourism, manufacturing, retail, etc.)
- specific ***sub-provincial regions*** (e.g. northwestern Ontario, northern Ontario, metropolitan centres, southern/rural farming areas, etc.)
- ***specific programs and services*** (e.g. financial assistance, training, organizational development, business advisory services, etc.)

viii) ***There is no universal model for success.*** A variety of approaches and points of entry are required to offer maximum flexibility for access by natives in all regions, sectors and stages of development.

F. Service Delivery by All Ministries

Ministries with programs and services which apply to native people should ***emphasize initiatives supportive of native self-government and self-reliance.*** This should recognize that native peoples in Ontario have the right to ***full and equitable participation in all available programs*** and should recognize that the ***special needs and priorities of native people may call for particular emphasis to be placed on service delivery to native clientele.*** The majority of provincial ministries have programs and services which will be crucial to successful native economic development. A variety of initiatives are suggested for the various ministries, including:

- ***expanding the level of resources*** available for or targeted to native economic development
- ***improving native accessibility*** to existing programs
- ***adjusting the design and direction of the programs*** to make them more relevant to native needs and circumstances
- ***introducing new programs and services to fill major gaps*** in areas critical to native economic development needs and opportunities

G. Native-Specific Programs

Complementing the above guiding principles, is the government's commitment to encouraging Ontario ministries to develop ***native-specific services to meet the particular and unique needs of native people and to support the protection of their cultures.*** This can take many forms:

- ***special initiatives*** within each ministry to ***sensitize staff*** to native needs, circumstances and opportunities, so as to promote greater responsiveness and relevance in program delivery

- ***adjustment and refinement of existing policies and programs*** (especially program eligibility and funding allocation criteria) to enhance relevance and accessibility

- ***ear-marking of appropriate levels of resources*** for native economic development

- design and establishment of discrete ***native program components***

- establishment of ***native advisory boards, steering committees, review and evaluation processes, and other forms of native participation*** in program design and delivery

- creation and/or utilization of ***native-owned and controlled economic institutions*** (i.e. sectoral and regional development organizations) for program delivery

H. Non-discrimination in Program Delivery

Recognizing the principle that ***aboriginal peoples should receive provincial programs and services on a non-discriminatory basis***, the Corporate Native Affairs Policy allows for ***increased involvement on the part of the Government of Ontario, together with the Government of Canada, in the provision of economic (and other) programs and services*** to all aboriginal peoples, including status Indians living on-reserve. Such involvement will require the rationalization of respective federal and provincial responsibilities for programs and services to aboriginal peoples in Ontario. This calls for ***new means of dealing with economic (and other) program delivery.***

I. Monitoring Role of Ontario Native Affairs Directorate (ONAD)

The Directorate should continue to play a ***monitoring and coordinating role in the development, implementation and regular evaluation of the full range of government initiatives in the area of native economic development***. To ensure that ONAD can play an effective role in planning, coordinating, monitoring and evaluating the government's broad range of policy and program activities dealing with native economic development, the following needs to be put in place:

- ***a budgetary envelope*** (or equivalent) for native economic development, with ***reserve funds*** within the envelope which could be allocated to top-up available funds for economic develoment initiatives of individual ministries
- ***a database*** *on native economic conditions, opportunities, programs, expenditures, and major projects*
- ***mechanisms*** to ensure appropriate ***consideration of native economic development needs and opportunities***, including:
    - means for considering native economic impacts and implications of all relevant ***new economic policy or program submissions to Cabinet***
    - regular cyclical review of ***existing policies and programs*** throughout the government to identify means by which they may be better tailored or directed to support native economic development
- special joint sessions of the ***Cabinet Committees on Native Affairs, Northern Development***, and ***Economic Policy*** to ensure linkages between native economic development initiatives and the government's broader economic development strategies

J. Federal/Provincial Jurisdictional Responsibilities Regarding Native Economic Development Program Delivery

The federal and provincial governments need to clarify jurisdictional responsibilities for the delivery and funding of programs and services to native people in Ontario. In light of provincial considerations of playing a larger role on-reserve, there is a need for the federal government to increase services to aboriginal groups off-reserve.

K. Federal/Provincial Cost-Sharing Arrangements

To the maximum extent possible, the ***provincial government should proceed with negotiations with the federal government*** on cost-sharing arrangements prior to the announcement of any major new economic initiatives. Special concern needs to be paid to the avoidance of any abdication of responsibility on the part of either government for delivery of programs to native people.

L. Linkages to other Socio-Economic Policies and Priorities

The development of specific native economic development policies and strategies should not be carried out in isolation from broader economic development initiatives for the province as a whole or for any specific regions, sectors or economic issues. Instead, ***appropriate linkages needs to be established to ensure that the relative needs and opportunities of native men and women, their communities and enterprises are fully considered and integrated within broader policies and strategies.*** Of particular importance are recent and current initiatives such as the following:

- providing excellence in education
- assisting the adjusting to the post-industrial information society
- responding to the impacts of demographic changes on the Ontario social and health care systems
- support for northern development
- promotion of small business and entrepreneurship
- enhancement of primary industries, the services sectors and tourism
- employment equity

With respect to intergovernmental economic development agreements, ***any agreements which concern native people exclusively should be developed through a tripartite process involving the province (including the Minister Responsible for Native Affairs), representatives of native people, and the federal government.***

I Introduction

BACKGROUND

This discussion paper was prepared by the firms of ***J. Phillip Nicholson Policy and Management Consultants Inc.*** (Ottawa) and ***Onchiota Inc.*** (Deseronto), for the ***Ontario Native Affairs Directorate*** (formerly the Office of Native Affairs Policy), Government of Ontario. The Directorate is an agency of the Government of Ontario which supports the Attorney General in his capacity as the Minister Responsible for Native Affairs and as Chair of the Cabinet Committee on Native Affairs. An interministerial committee representing the following ministries and agencies has assisted in providing direction and input to the various stages of research, analysis and report preparation:

- Ontario Native Affairs Directorate (ONAD)(Chair)
- Ministry of Agriculture and Food
- Ministry of Citizenship and Culture (Native Community Branch)
- Ministry of Industry, Trade and Technology
- Ministry of Natural Resources
- Ministry of Northern Development and Mines
- Ministry of Skills Development
- Ministry of Tourism and Recreation
- Ministry of Treasury and Economics
- Ontario Women's Directorate

J. Phillip Nicholson Policy and Management Consultants Inc. is a federally-incorporated firm of consultants specializing in public policy research, analysis and development.

The firm of ***Onchiota Inc.*** is a native-owned and controlled consulting firm whose principals and associates include status Indians, non-status Indians and Métis.

This discussion paper was prepared as a result of approval by the Ontario Cabinet in October 1985 of a new Corporate Native Affairs Policy Framework. Cabinet directed the Minister Responsible for Native Affairs to prepare a strategy paper for the guidance of the government in the implementation of native economic development programming, based on the following three key principles:

- aboriginal peoples should receive provincial programs and services on a non-discriminatory basis to meet their needs to the extent that provincial legislation of general application occupies the field, and to the extent that ministry budget allocations in program planning permit;
- ministries are encouraged to develop native-specific services to meet the needs of native people and to support the protection of their cultures; and
- to the extent that provincial programs and services apply, or may continue to apply, to native people, those programs and services should emphasize initiatives supportive of native self-determination and self-reliance and should be developed in consultation with native people.

The October 1985 decision on a Corporate Native Affairs Policy Framework recognized that Ontario's approach to native affairs has historically suffered from three major limitations. The province's past approach:

- concerned itself primarily with status Indians;
- fostered a "safety net" approach to Indian conditions, rather than a developmental approach; and
- minimized the provincial role in the provision of services.

By implication, the development of a framework for native economic development policy, in concert with similar initiatives in the areas of native self-determination or self-government, is designed to:

- ***establish clear policy direction*** regarding all native groups in the province (status Indians, non-status Indians, Métis and Inuit)
- ***tackle long-term problems of dependency*** of native peoples
- ***enhance coordination and extension of services*** to native peoples; and
- ***attempt to resolve current confusions over federal and provincial responsibilities*** in the areas of native economic development.

PURPOSE OF DISCUSSION PAPER

This discussion paper is designed for the following general purposes:

- provide a ***common understanding of the facts*** related to native economic conditions, circumstances and prospects in Ontario and of available programs to assist economic development
- identify ***major gaps and shortcomings in available data*** on native socio-economic and business conditions, prospects and alternative strategies
- identify significant ***factors, issues and criteria which need to be addressed*** to develop an appropriate government strategy or framework to deal with native economic development policies and programs
- outline, for follow-up discussion and consideration, a series of ***guiding principles*** which might be used to direct and shape Ontario policies and programs in support of native economic development
- highlight possible ***implications for key Ontario ministries*** with programs relevant to native economic development

The paper is designed to stimulate and support ***consultations among all key stakeholders***:

- native entrepreneurs, enterprises and businesses
- key target groups in the native community, especially women and youth
- other members of the native community
- federal and provincial departments and agencies with responsibilities, interests and/or impacts on native economic development in Ontario

- private sector organizations and institutions with interests in native economic development

The discussion paper has been developed on the basis of informal research-oriented consultations with an extensive range of government (federal and provincial) and native representatives. This has been undertaken to prepare a summary of basic facts and prevailing perspectives. This discussion paper will subsequently be used for more formal consultations with native and government representatives.

RATIONALE

The development of this discussion paper and the initiation of consultations on a framework for native economic development in Ontario is timely for several reasons:

- Recent detailed tabulations and analysis of the 1981 census have provided the most clear and conclusive evidence to date of the ***continuing economic disparities*** between natives and non-natives in Ontario (as in other provinces). Native people, and especially native women, rank among the most economically disadvantaged peoples in Canada.

- Recent research and evaluation studies sponsored by the federal and provincial governments and by various native organizations and associations have provided a ***better understanding of the significant opportunities*** available for native economic development, and of ***appropriate approaches*** which emphasize long-term sustainable development rather than short-term attention to the symptoms of under-development.

- There is a growing recognition that, despite the increasing sophistication and scope of many economic development programs available through federal, provincial and private agencies, the overall ***participation of natives in such programs is low.*** This reflects a variety of problems related to the way in which the programs are designed and delivered. There is a recognized need to make such programs more accessible, more relevant, and better coordinated so that they meet the particular needs of native men and women in all regions of the province.

- The Government of Canada and the Government of Ontario are each responding to ***native demands for recognition and support for increased self-reliance and self-determination*** in all facets of life. It is widely recognized that native self-government can only realistically re-emerge with appropriate economic development which enhances self-reliance.

- In its April, 1986 ***Speech from the Throne***, the Government of Ontario outlined a clear ***commitment to develop a Native Economic Participation Program*** to provide opportunities for native entrepreneurs, in order to assist native peoples in Ontario to retain and strengthen their unique cultural heritage through economic development.

- The ***Speech from the Throne*** also outlined several ***other government economic priorities*** of direct relevance to the needs and opportunities related to native people of Ontario:

    - promotion of small business and entrepreneurship

    - enhancement of primary industries, the services sector, and tourism

    - support for technological innovation

    - improvement of the relevance of education, coupled with increased emphasis on skills development, literacy and information, as a better bridge to the world of work

    - a variety of initiatives designed to strengthen and support economic development in the northern and eastern parts of the province

    - a commitment to principles of employment equity

- The 1986 ***Native Business Summit Foundation Conference and Trade Show*** convened in Toronto, Ontario, was the first-ever major symposium to promote native business opportunities (including investment in native businesses, joint-ventures between native and non-native businesses, and related marketing and licensing opportunities). Successfully capturing the interest and excitement of mainstream entrepreneurs at the regional, national and international levels, the summit heightened awareness of native business opportunities in Ontario and has established some momentum for more specific and sustained collaboration and cooperation amongst various native and non-native business interests. At the summit, the Premier of Ontario confirmed his government's commitment to developing a Native Economic Participation Program to widen the opportunities available to native entrepreneurs, and to developing a Native Economic Strategy for Ontario.

- The ***Government of Canada*** has, for several years, been developing and implementing policies and strategies to promote and support ***employment equity*** for ***natives***, as it has for women, the disabled, and visible minorities. The ***Government of Ontario*** has recently proposed legislation pertaining to pay equity for women. This will establish important precedents for potential initiatives related to broader aspects of employment equity for disadvantaged groups (e.g. women, native and the disabled). Other provincial employment equity initiatives include an affirmative action plan for the Ontario Civil Service and incentives and consulting services for the private and extended public sectors. While these initiatives are directed towards improving the economic status of women, their impact on native women is minimal, since only a small proportion of native women are employed in jobs affected by the measures.

- In June 1986, the ***Ontario Women's Directorate*** released a paper on ***Economic Issues Facing Native Women in Ontario***, which called for special effort to close the gap between the economic circumstances of native women and the rest of society.

- In June 1986, the Ontario Cabinet agreed that an interministerial working committee, chaired by the Ministry of Industry, Trade and Technology, be formed to:

  - plan and coordinate a ***Premier's Conference in Northern Ontario on Competitiveness of Northern Industries***;

  - review ministry reports on factor input costs; and

- prepare a plan of action for the ***Cabinet Committee on Northern Development***

The conference was convened in October 1986, and provided an overview of challenges in all the key economic sectors important to the north. Comprising a significant portion of the northern population, native people have a major stake in any government initiatives, to enhance northern competitiveness and economic performance.

- The Government of Ontario will participate in a ***First Ministers' Conference*** in the spring of 1987, at which time constitutional issues related to aboriginal rights and self-government will be addressed. It is widely recognized that meaningful self-government can only occur within a broader context of self-reliance, including economic strength and stability.

METHODOLOGY

The research, consultations, analysis and writing related to the development of this discussion paper took place over the period June 1, 1986 to October 31, 1986.

The ***first phase*** of the work focused on ***background research*** aimed at developing a statistically-reliable profile of socio-economic conditions and business activities of native men and women in Ontario, with appropriate comparisons to non-natives in Ontario and natives in other regions of Canada. All analytic work was based on existing data. No new surveys or primary data-gathering exercises were undertaken, with the exception of extensive preliminary consultations with native and government representatives. The work involved the following activities:

- analysis of special tabulations of the 1981 ***Census of Canada***, provided by Statistics Canada and Indian and Northern Affairs Canada. These provided the most comprehensive and statistically reliable set of data ever available in Canada on the economic conditions and circumstances of status Indians, non-status Indians, Métis and Inuit (employment, labour force participation, income, education, and industry and occupational pursuits);

- identification and analysis of various data bases on the number and kind of ***businesses operated by natives*** in Ontario;

- review of numerous ***planning studies, evaluation reports and other administrative data*** from various federal and provincial government departments related to economic conditions, circumstances and opportunities facing the various native groups in Ontario;

- preparation of special tabulations of ***Environment Canada's Canada Land Inventory***, which provides a sophisticated classification of land and soil capabilities of Indian reserve lands for a variety of economic activities (agriculture, forestry, recreation and wildlife); and

- analysis of data from the ***Reserves and Trusts Branch of Indian and Northern Affairs Canada*** on the results of a ***mineral resource survey*** of Indian reserves in Canada (including Ontario).

The ***second phase*** of the project involved extensive ***contact and consultations*** with federal, provincial native and private agencies with programs either generally related to economic development (i.e. universal programs available to all residents of Ontario) or specifically related to native communities and populations (i.e. native-specific programs). In each case, officials in appropriate programs were contacted by the consultants to initially provide written materials describing available programs. These were complemented by follow-up telephone calls and in-person interviews, where appropriate, to obtain greater detail on the precise form and nature of the program, delivery mechanisms, native participation and measurable outputs, impacts or effects. A total of 17 government departments and agencies were contacted, representing more than 100 discrete economic programs. In addition, approximately a dozen native and private programs, including non-profit development organizations and associations, were contacted to provide comparable data on non-government programs related specifically to native economic development (see Appendix A).

The ***third phase*** of the project involved an extensive series of ***informal consultations with native individuals*** representing a wide range of enterprises, development corporations, community and regional organizations, and native associations. More than 80 personal interviews took place, covering organizations and institutions in virtually all sectors of the economy and all regions of the province (see Appendix A).

The preliminary consultations with native groups and institutions were designed to achieve the following:

- identify useful concepts and perspectives related to economic development policies, strategies and programs which are relevant to native peoples and their unique circumstances;

- gather native perceptions of development opportunities and priorities in various regions, sectors and community settings;

- identify factors and attributes which contribute to good economic development potential and prospects for native men and women;
- identify native perceptions of a range of factors which stand as barriers or obstacles to successful native economic development in Ontario, and of possible methods and strategies to overcome them;
- identify perceptions, barriers and opportunities that are specific to native women, which require special attention in developing economic strategies which are relevant to all native peoples;
- promote an awareness of and interest in the government's initiative related to the development of a framework for native economic development in Ontario.

While every effort has been made to incorporate and respond to the observations and views expressed through the preliminary informal consultations mentioned above, this discussion paper does not purport to reflect the official views and perspectives of the native people of this province.

The Premier of Ontario and the Minister responsible for Native Affairs have expressed the Government's commitment to full consultation with native communities in the development of policies and programs that primarily affect them. Formal consultations with native peoples and organizations will be undertaken by the Ontario Native Affairs Directorate upon completion and acceptance of this discussion paper as a background document.

The ***fourth phase*** involved an analysis of the results of the above phases of research and consultations. The consultants were assisted in this task by an ***Interministerial Committee*** of provincial officials whose programs most directly relate to native economic development (see Appendix B). A series of meetings and workshops were held with these officials to guide the development of the discussion paper and to ensure that it meets the government's requirements for a document suitable for distribution to and consultation with native peoples.

II Key Terms and Concepts

This document employs a number of specific words and terms which have either important or special meaning in the fields of native policy and/or economic development. Although some of the terms may be used with slightly different meanings for other purposes in other documents or contexts, the following definitions reflect the meaning attached to them for the purposes of this discussion paper:

- **aboriginal (aboriginal person/people)**: a descendant of the "original peoples" of Canada; for the purposes of this paper the term refers to status Indians, non-status Indians, Métis and Inuit (see below) and is used interchangeably with the term "native" (native person/people).

- **indigenous person/people**: (an) aboriginal person/people.

- **native (native person/people)**: a descendant of the "original peoples" of Canada; for the purposes of this paper the term refers to status Indians, non-status Indians, Métis and Inuit (see below) and is used interchangeably with the term "aboriginal" (aboriginal person/people)(Note: the term native is used most often to refer to status Indians, non-status Indians and Métis but also is frequently used to include Inuit).

- **Indian (Indian person/people)**: an aboriginal person who is either registered or entitled to be registered as an Indian under the terms of the Indian Act.

- **status Indian**: an Indian who is in fact registered as an Indian under the Indian Act (a registered Indian).

- **registered Indian**: a status Indian (i.e. an Indian registered as an Indian under the Indian Act).

- **non-status Indian**: an Indian who is not registered as an Indian under the Indian Act, for whatever reason.

- **Inuit**: an aboriginal person who self-identifies as an Inuit person and who is a descendant of the original inhabitants of northern regions which are now known as northern Canada.

- **Métis**: a person who self-identifies as a Métis, and who is of mixed Indian and non-Indian ancestry.

- **other native**: a term used in tables and charts in this paper to refer to natives other than status (i.e. registered) Indians; i.e. non-status Indians, Métis and Inuit.

- **non-native**: any person who is not a native (or aboriginal) person according to the above definition.

- **non-Indian**: any person who is not an Indian according to the above definition; the term non-Indian would include both non-natives as well as Inuit and Métis.

- **band (Indian band)**: a body of Indians recognized by government for whose benefit and use land and money have been set aside and held by the government.

- **band council**: a community institution, recognized under the Indian Act, which is used by Indian bands to assume responsibility for local administration.

- **reserve**: a tract of land set aside for the use and benefit of an Indian band, the legal title to which is vested in Her Majesty in right of Canada.

- **on-reserve (on-reserve population)**: members of an Indian band who normally reside on a reserve.

- **off-reserve (off-reserve population)**: members of an Indian band who normally reside off-reserve.

- **employment development**: strategies and initiatives whose primary objectives are to create or increase either short-term or longer-term employment (i.e. jobs).

- **job creation**: a term often used interchangeably with employment development; strategies and initiatives whose primary objectives are to create or increase either short-term or longer-term employment.

- **economic development**: a comprehensive concept which refers to strategies and initiatives aimed at the creation and development of sustainable long-term sustenance, wealth and/or prosperity. Economic development is measured in broad social and economic terms which take into account not simply job creation but rather access to meaningful and rewarding pursuits which are sustainable over the longer term and which reflect and support individual and community values.

- **labour force**: the portion of the population of working age (deemed, for practical measurement purposes, to be those persons from 15 to 64 years inclusive) who are either employed or actively seeking employment at the time of survey.

- **labour force participation (participation rate)**: a term used to refer to the basis of measuring the degree to which a specific population is either employed or actively seeking employment; the labour force participation rate is measured as the portion of the total population of "working age" (15 to 64 years inclusive) which is either employed or actively seeking employment at the time of survey.

- **employment (employment rate)**: a concept used to refer to the measurement of the degree to which a population is successfully employed. (For practical measurement purposes, employment refers primarily to employment in formal wage-paying pursuits.) The employment rate of a population refers to the portion of the population of working age which, at the time of survey, is successfully employed in either part or full-time work.

- **unemployment (unemployment rate)**: a rather limited term which refers to the portion of the ***labour force*** (i.e. not the total working-age population) which is unemployed at the time of survey.

  Note: the unemployment rate, therefore, reflects the combination of two factors: labour force participation, and employment success/non-success. Hence, a community with low labour force participation may demonstrate lower levels of *un*employment than a community with high labour force participation, even though the former community has lower overall employment success rates. For example, a community with a labour force participation rate of only 60% would demonstrate an unemployment rate of 0% (zero %) if all of the labour force participants were successfully employed. By contrast, a community with considerably higher overall employment of its working age population - say, 90% - but an even higher labour force participation rate - say 100% - would have a higher unemployment rate (in this case 10%.

- **discouraged worker**: an unemployed person otherwise able and willing to work but who is no longer an active participant in the official labour force (i.e. no longer actively seeking employment) due to a chronic lack of suitable employment in the local labour market/ economy.

- **wage economy (wage pursuits)**: occupational pursuits which offer wages, salaries financial profits or other monetary reward/ compensation.

- **non-wage economy (non-wage pursuits)**: occupational pursuits which do not normally provide wages, salaries or other similar financial rewards (examples include non-cash harvesting, hunting, trapping or other similar pursuits for personal or family consumption and/or trade and barter).

- **subsistence economy (subsistence pursuits)**: a concept which refers to a local or community economy attuned to providing for the necessities of existence of that particular population, rather than the creation of a surplus for trade/sale to an external market.

- **traditional pursuits**: occupational pursuits, whether for financial or non-financial reward, which are associated with traditional native culture (examples include certain forms of fishing, trapping, hunting, arts, and crafts).

- **enterprise development or business development**: strategies and initiatives which focus primarily on the development of businesses or enterprises whose objectives are primarily financial, and are formally and directly centered on the specific internal interests of the enterprise itself and its owners, operators and/or employees (i.e. as distinct from the broader community).

- **community-based development**: strategies and initiatives aimed at broader community development (as distinct from enterprise or business development), and which focus on a wide range of community economic, social and cultural considerations. Community-based strategies do not restrict themselves to consideration of financial viability on its own, but rather take into account the full net benefits of development within a specific community context (e.g. objectives such as access to meaningful employment, self-determination, community stability, reduced dependency, and improvement of overall quality of life in the community).

- **mainstream economy/mainstream culture**: two comparable concepts referring to the prevailing infrastructure, institutions, attitudes, values and practices (in a commercial, cultural and/or political sense) which are most directly associated with the dominant or majority populations. In the context of native issues in Ontario, this refers primarily to the non-native populations - especially those in the more urbanized, industrialized and southern regions of the province.

- **employment equity**: a broad range of strategies and initiatives designed to improve the economic status of a defined group of people who are under-represented in the workforce, and have a disadvantaged economic status for reasons involving historically overt and/or systemic discrimination.

III Context

INTRODUCTION

The circumstances, conditions and prospects facing native people in Ontario can only properly be understood within the broader context of social and political trends and developments. Although there are numerous factors which have and will continue to influence native economic conditions and prospects, several of the more notable contextual factors are highlighted in this chapter:

- ***historic relationship*** of Ontario and native peoples
- current ***native priorities***
- the status and prospects of the ***provincial economy***
- ***federal priorities*** and initiatives
- impact of the ***Nielsen Task Force*** on the federal Department of Indian and Northern Affairs
- the federal ***Task Force on Indian Economic Development***
- ***federal/provincial relations*** (i.e. Canada/Ontario)
- implications of the ***Bill C-31: An Act to Amend the Indian Act***
- initiatives and issues related to ***employment equity***
- linkages between economic development and ***other social costs and benefits***

HISTORIC RELATIONSHIP OF ONTARIO AND NATIVE PEOPLES

Prior to the arrival of Europeans in North America, aboriginal peoples were both self-governing and self-sustaining. They had their own well-established and effective forms of government. Their land-based activities (harvesting of renewable wildlife resources and/or horticulture) made them totally self-sufficient.

To survive in North America, early Europeans were dependent on the assistance and good will of aboriginal peoples. This early relationship with aboriginal peoples became even more important to the European powers with the development of the fur trade. These early relationships also served as the beginning of what was to become the Métis people. Clearly, European contact with aboriginal peoples of North America was essential to the development of the fur trade in Canada. The fur trade, in turn, was the basis for European exploration and domination of the country and for the subsequent waves of economic development and colonization. While the fur trade was seen as mutually beneficial, it altered traditional aboriginal social and cultural patterns significantly.

When colonial powers became more firmly established, they sought to assert greater control over the land and, through settlement, to exploit the resources more directly. This led to conflicts amongst European powers, for which the active involvement of aboriginal peoples was sought. The resulting British domination of North America eventually led to the establishment of Canada and the creation of the Province of Ontario.

With the eventual decline of the fur trade, aboriginal peoples returned to their traditional land-based pursuits. However, treaties for land became important when colonial desires for private ownership and exclusive use of land came into conflict with the hunting, trapping and other traditional pursuits of aboriginal peoples. Numerous treaties were entered into between the Crown and aboriginal peoples. Aboriginal peoples were guaranteed certain rights to exercise their traditional economic pursuits on the lands in question. This treaty process accelerated the settlement and the exploitation of renewable and non-renewable resources in Ontario. The process of settlement has continued to the point where proportionately few land areas are left in Ontario where aboriginal peoples can exercise their rights to sustain themselves from land-based activities. The degeneration of an economic base was compounded by the enactment of the Indian Act Announcement by the federal government in 1884, which led to the dissolution of aboriginal self-government and created distinct categories of Indian people (i.e. "status" and "non-status" Indians).

As with their involvement in the fur trade, native peoples also played important roles in the early development of the province. They were significantly involved in the commercial fishery and forestry industries, and were active in agriculture. They also made important contributions to the development of trade, commerce and tourism within the province. As well, during more recent times of international conflict, native peoples volunteered for military service in numbers considered significant for their total population.

Generally, the participation of native peoples in the mainstream economy of the province has always been made difficult by a number of obstacles unique to native people. Some of these obstacles continue to exist and include legal impediments created by the Indian Act and a history of negative stereotyping, i.e. the depiction of native people as being inferior. Moreover, it has only been within the past thirty years that Indian people were granted citizenship and some of the basic rights enjoyed by other Canadians.

The problems facing native people in the province did not go unrecognized by the Government of Ontario, which introduced a number of programs and special projects for native people in the mid-1960s. However, these attempts to improve the economic and social conditions of native people were set back in the mid-1970s when the growth in these services was curtailed because of the disagreement between Ontario and Canada as to the responsibility for, and cost of these services. In that regard, the federal government has held to the position that it is only responsible for the costs of some services to Indians on-reserve. Ontario has disagreed and argued that the cost of services to Indian people off-reserve should be shared. This on-going debate has also served to hinder the development of improved social and economic conditions for native people generally and more specifically for the increasing number of native people moving to Ontario cities.

A further hindrance to the development of improved social and economic conditions for native people is the continuation on the part of the province to alienate large tracts of Crown lands through timber licences to multinational corporations without significant consultation with the native peoples affected. As well, no serious attempts to resolve outstanding native claims have been made until recently. This has resulted in native peoples being unable to exercise their aboriginal rights to hunt, fish and trap for subsistence purposes. Furthermore, it has frustrated access to resource crucial to economic development.

All of the above factors have served to shape the current relationship between native people and the Province of Ontario. This relationship is often characterized by suspicion, mistrust and a feeling of neglect on the part of native peoples. It is also characterized by a dependence of native people on federal programs and policies. Clearly, the historical circumstances of native people in Ontario have contributed significantly to the socio-economic conditions that are detailed in this discussion paper. These conditions are significantly worse for native people than for non-native people in the province.

While the overall socio-economic picture remains quite grim, native people have individually and collectively made some significant accomplishments in terms of economic development in recent years. Community cooperatives, development corporations, and private enterprises have been created to take advantage of primary, secondary or tertiary business opportunities on every scale from satisfying local needs to supplying or servicing major development projects or producing articles for international export. Strides have also been made in terms of improving the social conditions necessary for economic development. Much of this has been accomplished with support from the Governments of Ontario and Canada, and slowly increasing joint ventures with non-native institutions.

Recent initiatives may underscore a more positive and cooperative climate between natives and the Government of Ontario, e.g.:

- establishment of the new Corporate Native Affairs Policy Framework which supports increased native self-determination and self-sufficiency, and which directs individual ministries to consult with native people on relevent policy and program development
- a commitment on the part of the Government of Ontario to negotiate native self-government, i.e. the Ontario Declaration of Political Intent and the Nishnawbe-Aski Nation Memorandum of Understanding
- negotiations with native people to enhance native access to natural resources and/or to support the creation of native institutions to promote economic development (e.g. wild rice, trapping, fishing, forestry and agriculture)
- decision by the government to resolve native claims in a fair and expeditious manner

CURRENT NATIVE PRIORITIES

The observations in this section are based on extensive consultations with more than 80 native entrepreneurs, community leaders, and representatives of native organizations.

Most native peoples in Ontario, like native peoples in other provinces and the territories, are seeking new relationships within Canada - the right to make decisions affecting their lives and the opportunities to build a strong economic future for themselves. They share a common determination to preserve their heritage and their unique cultural, historical, political and constitutional rights.

The current economic conditions and circumstances of native peoples, combined with a lack of sufficient political control/autonomy to be capable of changing these conditions, have served as a major impetus for the re-establishment of self-government. Correspondingly, self-government requires a strong sustainable economic base. Thus, economic self-reliance and self-government have been the acknowledged goals of native people for a number of years.

In addition to self-government and economic development, most native peoples also share the following priority concerns:

- education
- health
- child welfare
- employment
- housing
- training
- child care
- community development

An important additional priority for status Indians is the resolution of land claims. The establishment of a land base is also a high priority for some Métis and non-status Indians.

With respect to business development, the various constituencies of Ontario's native community also share some very specific priorities and needs. These include access to:

- equity financing, including funds for feasibility studies, business plans and start-up
- appropriate education and training with adequate financial support for child care and living expenses
- new technology
- professional and technical advice on business start-up and management
- renewable and non-renewable resources
- information on both federal and provincial programs that exist to support economic development

While all native people generally share the above needs with respect to economic development, there are some differences in priorization of approaches to native economic development among the various groups.

From Indians in southern Ontario there appears to be more emphasis on support for individual entrepreneurs; providing reserve communities benefit through the creation of jobs and other spin-offs. In the north, there appears to be more emphasis on community-based initiatives and cooperatives. While there is a need for improved community infrastructure in all native communities, this need appears to be greatest in the north. Generally, there is support throughout the province for the development of regionalized and sectoral Indian economic and financial institutions.

In general, Métis and non-status Indian people do not enjoy the same level of organizational development and resources at the local community level as do status Indians. There is general support for Métis non-status Indian economic and financial institutions in the province. Provincial support for Métis and non-status Indian education, in a manner similar to the federal support given Indian education, is seen as a high priority for long-term development at the local levels.

The Ontario Native Women's Association, an association which is representative of most native women in Ontario, and the Ontario Federation of Indian Friendship Centres (the majority of friendship centre users are status Indian women) favour an approach to native economic development which flexibly supports the need for pre-employment and job training to ensure that native people living in urban centres and elsewhere can compete in a marketplace demanding changing skills and expertise. They also believe that the delivery of economic development programs of this nature must be linked to social support networks.

The Métis of northwestern Ontario favour an approach which supports individual entrepreneurs and small business development while extending support to their own economic development efforts and institutions.

PROVINCIAL ECONOMY

In assessing the prospects for improved economic development among native peoples in Ontario, it must be appreciated that the province of Ontario is Canada's economic and industrial heartland. With an estimated population of 9.1 million in 1985 - including 6.2 million adult consumers between the ages of 15 and 64 years - Ontario constitutes the largest consumer market in Canada. It has enjoyed continuous population growth since 1916 and contains almost half of Canada's 24 Census Metropolitan Areas. The province's key urban centres are within a single day's trucking of more than 120 million consumers, and more than half of the total North American industrial market.

The province accounts for more than one-third of total Canadian production in all goods-producing industries combined, including more than one-quarter of agricultural production and construction activity in Canada, one-third of electric power, gas and water utility output, and more than one-half of all manufacturing shipments in the country.

Although Ontario boasts some of the largest enterprises in Canada, the small business sector is the backbone of the provincial economy. Of the 338,000 businesses operating in the province in 1985, fully 90% (304,000) were small businesses employing less than 100 people each. In fact, almost two-thirds (62%) of Ontario firms have less than 20 employees.

A major exporting economy, Ontario offers businesses located in the province ready access to major U.S. and world markets. Exports to each of a dozen countries exceeds $100 million annually. The province, on its own, is the second largest trading partner with the United States - ahead of Japan, West Germany and the United Kingdom. Only Canada itself exceeds Ontario's export/import trade with the U.S.

The province has one of the world's most sophisticated systems of bank and finance, technology, transportation, telecommunications, research and development and government support systems for industrial and commercial activity. Toronto alone is home to approximately 80% of Canada's corporate head offices.

Although certain industrial sectors have experienced serious periods of stagnation and in some cases decline in recent decades, the overall history of the province has been one of unprecedented growth and prosperity.

The Economic and Fiscal Review of the Province of Ontario prepared by the Ministry of Treasury and Economics (November, 1986) forecasts generally favourable prospects for growth in the provincial economy. The Ontario economy is expected to grow in real terms by 4.1% in 1986, and 3.6% in 1987. Continued economic growth is expected to result in further employment creation and a decline in the unemployment rate from a 1986 average of 7.0% to 6.7% in 1987. Job creation is expected to continue to be concentrated in the service industries (which accounts for 3/4 of total employment in the native and non-native populations alike). In the goods-producing industries, manufacturing and construction are expected to be significant contributors to employment growth. Unlike the late 1970s and early 1980s, most of the new jobs created are full-time. Unemployment rates for youth, however, will continue to be higher than those for adults. The incidence of long-term unemployment remains lower for young people than for older age groups, however.

The province's medium-term outlook (1988-1990) notes that Ontario is projected to sustain its improved economic at least to the end of the decade, with a "base case" of reasonable assumptions calling for real growth in the economy of 3.1% per year, and a decline in the unemployment rate by 1990 to 5.5%.

For the past 5 years, Ontario's growth in output has been based primarily on improvements in the auto and service sectors. For the next 5 years, the province's performance will be stronger and will reflect more balanced growth as other sectors are expected to show higher growth rates than earlier. This will be led by the construction industry. Above average growth will also continue to be experienced by the transportation equipment industry.

The primary sector and resource-based industries (which are particularly crucial to many native communities - especially those in the rural and northern regions of the province) will show the least growth, although some improvements are expected. Real output in the primary sector is expected to average only 1.6% per year in the period 1986-1990, compared to 3.1% in the manufacturing sector, 3.6% in the service sector, and 4.2% in construction and utilities (total provincial average of 3.4%).

Resource-based manufacturers (e.g. pulp and paper, wood products, primary and non-metallic metals, metal fabricating and petroleum refining) may expect significant increases in production between 1986 and 1990, compared to the previous 5-year period. Nonetheless, growth rates will still be below the average for manufacturing or for the economy as a whole. This is particularly crucial for native people, in view of their location in northern and rural regions of the province where these industries constitute significant opportunities for employment and/or business development.

Particularly encouraging are the above-average growth rates expected in the construction, utilities and service sector industries.

The overall prospects for improved economic performance and opportunities in Ontario, however, must be tempered by an understanding of the "dual" or split economy which has emerged over the past several decades. The vast majority of new growth and economic development is taking place in the well-established and populated southern regions of the province, where the agricultural sector is well-established and where most of the manufacturing and service activities take place. Prospects are not as favourable for the northern and remote regions of Ontario, especially where the population is most dependent on the lagging primary and resource-related manufacturing industries. These happen to be the areas where the majority of native people (and, certainly, the vast majority of under-employed native people) reside.

One of the major challenges facing natives in the province is that of taking advantage of the natural, human and institutional resources available within the province to enhance employment and business performance within native communities.

FEDERAL PRIORITIES AND INITIATIVES

In the October 1, 1986 Speech from the Throne opening the Second Session of the 33rd Parliament of Canada, the federal government outlined its priorities under four broad themes:

. I **National Reconciliation**: the question of aboriginal rights was specifically identified as an item on the constitutional agenda as a result of the 1983 Accord signed with the provinces. The third and last such conference provided for in the 1983 Accord, is scheduled to be held in early 1987.

. II **Economic Renewal**: the government proposed a strategy which emphasizes fiscal restraint while promoting and supporting productivity, competitiveness and vigorous participation in entrepreneurial endeavours. The government highlighted the promotion of small business and entrepreneurial values as a means to enhance economic growth and prosperity. Noting that spending more money, by itself, has not solved the problems related to regional development, the government called for new approaches to supporting Canada's regions more efficiently, more effectively and with greater sensitivity to local conditions and opportunities. (This has immediate and obvious implications for new approaches to the unique geographic and cultural circumstances facing native communities in achieving their economic goals.)

. III **Constructive Internationalism**: (not directly applicable to native affairs or economic development policies for Ontario)

. IV **Social Justice**: the government noted that social policy concerns are more satisfactorily met in a strong and growing economy. The government committed itself to the pursuit of the common goal: "a modern, tolerant, and caring nation in which its citizens are secure and prosperous". The government noted that Canadians would want their governments to give the highest priority in social policy to those who are in greatest need. Among other strategies, the government dedicated itself to removing the barriers that have

> prevented women from participating freely and equitably in the mainstream of Canadian society. Enhancement of job opportunities for youth was also identified as a priority.

Although one may optimistically interpret the government's above priorities as having direct and major significance for the economic development needs and objectives of native people - especially women and youth - it must also be appreciated that the government's priorities are all well-couched within the context of fiscal restraint. With few exceptions, the government has not committed itself to any major increases in expenditures in areas of social or economic policy.

The April 18, 1985 **Statement of the Prime Minister Regarding Development of Aboriginal Policy** reaffirmed the government's commitment to the following principles governing the development of aboriginal policies:

- the special relationship between Canada and the aboriginal peoples should be strengthened;

- aboriginal rights, especially the right of self-government, should have constitutional protections;

- current funding levels of programs designed to correct the serious inequities which exist for native people and native communities will be maintained;

- policies regarding aboriginal people will be made after open, public consultation, especially at the grassroots level.

TASK FORCE ON PROGRAM REVIEW: *IMPROVED PROGRAM DELIVERY: INDIANS AND NATIVES* ("NIELSEN TASK FORCE")

The April 1985 report of the study team to the Task Force on Program Review dealing with Indian and native programs made a number of significant observations and recommendations related to economic program delivery. Any federal moves to implement these will change the overall complexion of federal program delivery for native affairs in general, and native economic development in particular. The Task Force perspective reflected a more general philosophy of the current federal government to rationalize program delivery, instill a greater degree of fiscal discipline and efficiency, and minimize duplication or overlap either amongst federal agencies or between the federal government and the provinces.

- all economic development programs for native people should be transferred to the Department of Regional Industrial Expansion (which presently has responsibility for the Native Economic Development Program), and administered through federal/provincial agreements

- the Native Economic Development Program should itself be amended and become a more integral part of the Department of Regional Industrial Expansion

- the Department of Indian Affairs and Northern Development should continue to administer community development programs until they are absorbed into federal/provincial regional development agreements

- the Federal Business Development Bank should administer loan programs (e.g. the Indian Loan Fund currently administered through the Department of Indian Affairs and Northern Development). A portion of funds currently allotted to national Canada Employment and Immigration Commission training programs should be set aside for programs tailored to native needs on a regional basis

- training efforts of the Department of Indian Affairs and Northern Development should be consolidated within the Canada Employment and Immigration Commission to take advantage of CEIC labour and market-related expertise and services; separate programs for status Indians and Métis should be avoided, but rather should be integrated into an overall native-related program

- the goals and orientation of employment programs should be shifted from focus on the creation of short-term jobs, to long-term employment and economic development

- to improve the efficiency and effectiveness of long-term development programs, the instrument of federal/provincial regional development agreements should be utilized

- there is a need to recognize the fact that each native community is at a different stage of development. Some communities need major emphasis on the creation or improvement of infrastructure, while others need more attention to skills training, access to risk capital and/or provision of assistance in entrepreneurial development. Economic development programs need to be selective in meeting and responding to the various needs from community to community and region to region. This may include the adoption of minimal standards for infrastructure design and construction (i.e. rather than the present national standards) which would allow more flexibility in responding to local needs and priorities

- consideration should be given to supporting the development of a National Indian Trust Company which would be able to pool and manage Indian cash assets (e.g. from resource development and claims settlements) in support of economic development for fellow Indian businesses and communities (the concept may be applied, by extension, to other native groups)

In general, the recommendations have been viewed by many natives as a possible abdication of federal responsibilities for Indian affairs, and of a general tendency for the government to severely restrict and possibly reduce expenditures on important areas of native development - including economic development. The Prime Minister has downplayed the report, and has given assurances that there will be no reductions in levels of support. Pressures for fiscal control and expenditure reduction nonetheless dominate federal policy and priority-setting.

FEDERAL TASK FORCE ON INDIAN ECONOMIC DEVELOPMENT

A federal Task Force on Indian Economic Development reported to Indian and Northern Affairs Canada in December, 1985. The general mission of the Task Force was to assess the state of Indian economic development and the economic structure of reserves, with a view to proposing new programs and strategies for Indian and Northern Affairs Canada (INAC). The Task Force recommended the following guiding principles for INAC involvement in Indian economic development:

- work with native government leaders, entrepreneurs and the community to facilitate native control of native economic development
- assist in attaining economic development by providing support:
    - at the top (federal Cabinet and corporate executive offices)
    - at the grass roots (specific projects, linkages in the marketplace)
    - in between (INAC programs and inter-agency cooperation, tailored to development objectives)
- move quickly to generate momentum to deal with current difficulties and opportunities

More specific new initiatives are developing as INAC considers native response to new policy direction.

FEDERAL/PROVINCIAL RELATIONS IN THE ECONOMIC DEVELOPMENT SPHERE

The governments of Canada and Ontario are signatory to a federal/provincial Economic and Regional Development Agreement (ERDA) which provides for cost-sharing and collaboration on a wide range of economic development and related initiatives. There are at present, however, no specific ERDA sub-agreements or Memoranda of Understanding directly related to native economic development.

In light of overlapping responsibilities and interests in the areas of native affairs and economic development, there is increasing recognition of the need for the federal and provincial governments to improve coordination and to structure appropriate agreements for cooperation and collaboration. Accordingly, the province is currently working jointly with the federal government and native organizations to improve coordination and to identify and assess the full range of programs and services available to native entrepreneurs and communities in the field of economic development. A Canada/Ontario/Native Economic Development Committee represented by senior government officials and native leaders has reen established. A working group has also been established, and has as its objectives the assessment of the relevance and effectiveness of various programs and services, with particular attention on the existence of gaps, duplication or overlap amongst various programs and especially between federal and provincial areas of involvement.

BILL C-31

The passage of Bill C-31 in 1985 amended the Indian Act to eliminate elements of of the Act which discriminated on the basis of gender. Under previous legislation, status Indian women who married non-status Indian men lost their Indian status, as did their children. In addition, under the same previous legislation, non-status Indian women, upon marrying status men, would gain Indian status, as would their children.

Under the amended Indian Act (i.e. with the effect of Bill C-31), male and female status Indians are treated equally. Indian status is no longer gained or lost through marriage. At the same time, the legislation provided for reinstatement of Indian status for those persons and their children who were unfairly denied status (or who had status removed) under the previous legislation.

There are several major implications:

- thousands of applications for re-instatement of Indian status have already been received, which provides indication that the total number of status Indians in Ontario (as in other provinces) will increase substantially

- correspondingly, those status Indians who until now have self-identified as non-status Indians or Métis will now more clearly be identified as status Indians; the "constituency" of these groups will accordingly decline in numbers

- longer-term trends regarding relocation of persons regaining status to reserves are not known; however, it is expected that some relocations will take place. Reactions from Indian communities may be mixed, with some welcoming reinstatement and/or relocation, and other communities resisting the newly reinstated Indians from settling within existing Indian communities. There are several reasons for this possible negative reaction, including concerns over sharing of land and other community resources, and the increasing pressure on inadequate services and community resources for social, economic and other purposes. There are also concerns regarding the integrity and preservation of native culture

the recognition of Indian status to those who had lost or been denied status under former legislation may tend to establish new linkages and introduce new human and capital resources to Indian communities. In some cases, this may lead to better economic prospects for Indian people

EMPLOYMENT EQUITY

Employment equity initiatives are currently on the agenda of both the federal and provincial governments. At the federal level, legislation has designated disabled people, women, visible minorities and aboriginal peoples as target groups for employment equity hiring practices. At present, federal employment equity programs address the public sector on a legislative basis and the private sector on a voluntary basis.

At present, on the provincial level, the term "employment equity" refers to a range of measures that are undertaken to improve the economic status of women in the workplace. Within the context of that limited definition of employment equity - introduced into the Ontario public service in 1974 - a variety of measures were implemented to encourage the adoption of employment equity principles in the public service, and in the private sector on a voluntary basis. These include incentive measures to encourage the involvement of hospitals, municipalities, school boards, and universities. Accompanying these measures, is a range of educational and technical assistance available to the private sector.

Provincial commitment to broader application of principles of employment equity stem from the Liberal/New Democratic Party Accord. Details are pending as to the designation of specific target groups and the extent to which employment equity legislation would apply to the Ontario Public Service, and extend to the broader public and private sectors.

LINKAGES BETWEEN ECONOMIC DEVELOPMENT AND OTHER SOCIAL COSTS & BENEFITS

Any initiatives related to the provision of assistance to native people for economic development must be considered in the broader context of the full socio-economic costs and benefits.

Economic development cannot come about without appropriate levels of investment in human, social and industrial infrastructure, for example:

- education, training and skill development
- construction and maintenance of community facilities such as utilities and transportation & communications facilities
- construction and maintenance of commercial and industrial infrastructure such as warehouses, factories, and related plants and equipment
- establishment of stable and supportive social facilities and amenities such as health, housing, family care, recreational facilities and child care
- establishment of a wide range of institutional structures and mechanisms to provide all forms of business and services and support

Although certain investments in economic development yield immediate financial and economic results in the form of jobs, income and profits, many of the direct financial and economic benefits do not accrue in the short term. Rather, they require long-term development and careful building of structures and relationships which yield sustainable and meaningful development over the longer term. Moreover, many of the benefits can and should not be measured in financial and economic terms alone. Over the longer term, successful economic development contributes not only to financial and economic improvement, but to other social benefits as well:

- reduced dependency and increased self-reliance, with resultant increase in pride and purpose of life

- lower levels of expenditures on social assistance
- improved health status, and greater capacity to provide care within the family and community setting
- increased choice and flexibility in pursuing traditional pursuits and/or participating in mainstream economic and social ventures
- reduced disparities between male and female economic status
- improved social harmony, and reduced levels of violence, criminal activity and alcohol and drug abuse
- improved capacity to provide better housing, recreation and community facilities for enjoyment of native persons
- reduced tensions and more cooperative relations amongst various native and non-native groups

IV Socio-Economic and Business Profile

INTRODUCTION

This chapter provides highlights of a statistical overview and analysis of socio-economic conditions and circumstances among native people as of the beginning of this decade. A more detailed description, with statistical charts and tables, is attached as Appendix C: Socio-Economic and Business Profile: Details. Most of the data have been derived from special customized tabulations based on the 1981 Census of Canada, prepared by Statistics Canada on behalf of Indian and Northern Affairs Canada (INAC).

NATIVE PEOPLES IN ONTARIO

According to the 1981 Census of Canada (see detailed explanation and cautionary note in Appendix C), there were a total of 110,545 native people living in Ontario as of 1981:

- registered Indians: 77,145 (70%)
    - on-reserve: 42,645 (39%)
    - off-reserve: 34,505 (31%)

- other natives: 33,405 (30%)
    - non-status Indians: 21,475 (19%)
    - Métis: 11,020 (10%)
    - Inuit: 905 (1%)

With the exception of Inuit, Ontario accounts for a sizeable proportion of all natives in Canada:

- one-fifth of all natives in Canada
- one-third of non-status Indians
- one-quarter of status Indians
- one-tenth of Métis
- one-twentieth of Inuit

AGE DISTRIBUTION

As of 1981, the native populations in Ontario demonstrated a generally "younger" population distribution than the non-native populations. For example, 60% of natives in Ontario were under the age of 25 - compared to only 40% of non-natives. This means that the 1980s and 1990s will see a significant proportion of the native population steadily progressing through school age and early adulthood, with attendant pressures related to educational attainment, family formation, housing, and entry into the workforce.

The total dependent population (0-14 years inclusive plus 65 years and over) as a percentage of the total population is significantly higher among natives than non-natives. This places extraordinary burdens on those of working age to provide sustenance and support to those either too young or too old to work. This situation is exacerbated by the lower average level of employment and income among natives of working age.

REGIONAL DISTRIBUTION

Although the majority of the native population resides in the southern and more developed parts of the province (whether in urban or rural settings), a significant portion of the native population lives in northern Ontario - where natives frequently account for a significant portion of the local population. The greatest single concentration of native people in a district, county or regional municipality is in Kenora where the 16,000 native people account for more than 1/4 (27%) of the population in the region, and almost 15% of all natives in the province. From Nipissing and Parry Sound north and westward, there are more than 43,000 native people - accounting for 2/5 (40%) of the total native population in Ontario. In addition to Kenora, native people account for significant proportions of the local population (i.e. 5% or higher) in Brant County (5.0%), Cochrane District (6.4%), Rainy River District (10.2%), and Manitoulin District (31.3%).

In the southern regions of the province, several districts, counties or regional municipalities have appreciable numbers of native people - most notably metropolitan Toronto (13,200 - 12% of the total provincial native population).

RURAL/URBAN LOCATION

Overall, natives in Ontario are much less urbanized than non-natives (50% of natives compared to 82% of non-natives lived in urban centres of 1000 population or more in 1981). This pattern, however, is most heavily influenced by the status Indians who account for three-fifths of the total native population in the province. Among status Indians, almost two-thirds (62%) live in rural areas and only one-fifth (22%) live in large centres of 100,000 population or more. By contrast, more than three-fifths (61%) of non-natives live in large urban centres. This means that Indians and other native groups have distinctly different locational patterns, meaning that service delivery is markedly different for each group. Moreover, rural natives tend to have less access to employment and commodity markets and less access to the full range of social, commercial and government services conducive to choice and prosperity.

Among natives living in urban centres, the vast majority are concentrated in seven major urban centres:

. Ottawa-Hull:	4,380
. Toronto:	13,495
. Hamilton:	4,670
. Sudbury:	2,415
. Sault Ste. Marie:	2,510
. Thunder Bay:	3,170
. London:	2,370
Total	33,010 (30% of the total native population in Ontario)

LABOUR FORCE AND EMPLOYMENT

Three separate indicators are used to illustrate the labour force and employment picture among natives in Ontario:

- the **(labour force) participation rate** shows that Indians living off-reserve and other natives compare relatively favourably to non-natives in terms of the proportion of those of working age who were either employed or actively seeking employment. Indians on-reserve had participation rates only two-thirds that of non-natives.
- the **unemployment rate**, which measures the proportion of the labour force (i.e. not the total working age population) which was unemployed at the time of the census, reveals that unemployment among natives is more than double that of non-natives.
- the **employment rate** is perhaps the most meaningful indicator of all. In 1981, only slightly more than one-third of Indians on-reserve and one-half of Indians off-reserve of working age were employed. This compares to almost two-thirds of the non-native population. While employment among other natives is less than that of non-natives, it is appreciably higher than that of status Indians - especially those on-reserve:

Labour Force Activity

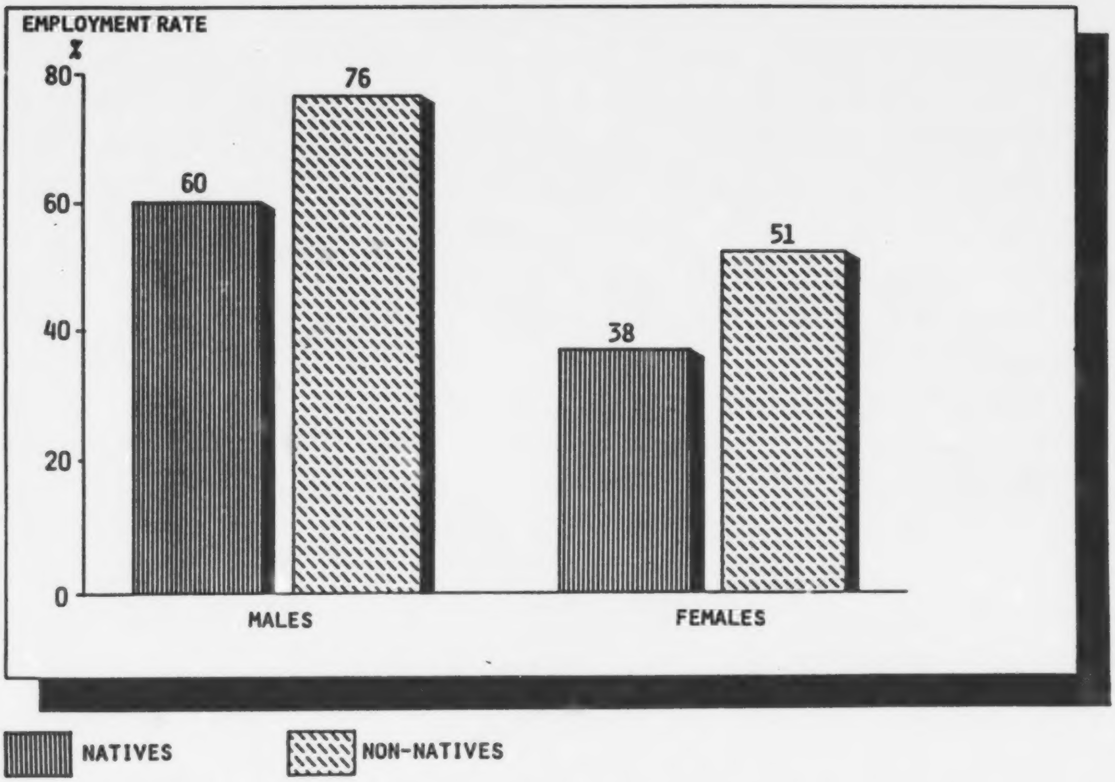
	Indians		Other Natives	Non-Natives
	On-Reserve	Off-Reserve		
Participation Rate (% of working-age)	43%	60%	67%	68%
Unemployment Rate (% of labour force)	16%	13%	12%	6%
Employment Rate (% of working-age)	36%	52%	59%	64%

Although non-wage and traditional pursuits are not included in the Census estimates, and may therefore paint a slightly better picture for certain native groups, it must also be recognized that natives experience not only lower levels of employment but also less reliable and financially rewarding forms of employment, including a greater tendency to be involved in:

- seasonal employment (the Census is carried out in the early summer when native employment is likely ***highest***)
- part-time employment, based on the number of hours worked per week
- lower-paying, less reliable and more hazardous forms of employment
- a situation of chronic or entrenched unemployment

For males and females alike, employment rates among natives are approximately two-thirds to three-quarters those of non-natives. The male/female disparity in employment levels is similar amongst Indians, other natives and non-natives; female employment rates among those 15 years and over are approximately two-thirds those of males. Given the low overall employment levels among natives, this means that employment levels for native women rank among the lowest of any group in Canadian society.

EMPLOYMENT RATES,
NATIVES AND NON-NATIVES,
ONTARIO, 1981
(15 YEARS AND OVER)



SOURCE: INAC CUSTOMIZED DATA BASED ON 1981 CENSUS OF CANADA.

The problems of youth unemployment are appreciably greater among natives than among non-natives. As of the census, only one-third of Indian and one-half of other native youths (15-24 years) were employed, compared to three-fifths of non-natives in the same age group. This is particularly serious, given the fact that natives currently have a higher proportion of youth than do non-natives. As young natives enter early adulthood, they will face increasing difficulties associated with finding jobs and assuming the responsibilities of adulthood and family formation. If employment prospects are bleak over an extended period, there is the very real danger of young native workers becoming discouraged.

Although differences between rural and urban employment rates are virtually negligible for non-natives (males and females alike), there are significant differences in employment rates in various rural and urban locations for the native populations in Ontario. In general, employment rates are appreciably lower for rural natives than they are for those living in larger urban centres. In larger centres of 100,000 population and over, native employment is almost 90% that of non-natives. In rural areas, however, it is only two-thirds that of non-natives. This trend is particularly serious since a larger proportion of natives are located in rural areas - especially among Indians living on-reserve.

It is must be noted that employment levels among natives in Ontario are higher than that of their counterparts in all other provinces and regions of Canada. In fact, the employment levels among natives in Ontario are one-and-one-third (1 1/3) times that of the lowest province (Manitoba). Similarly, the disparity between native and non-native employment levels is lowest in Ontario (tied with Quebec and followed closely by Atlantic Canada). This does not suggest that there is any reason for complacency; instead, it provides evidence of the very real prospect that natives can take advantage of available employment opportunities in Ontario.

INDUSTRIES

Natives and non-natives have almost identical distribution of employed workers in the three broad industry sectors:

Industry Sector	Natives	Non-Natives
Primary (resources extraction/harvesting)	7%	5%
Manufacturing	20%	23%
Tertiary (services)	73%	72%
TOTAL	100%	100%

PERSONAL INCOME

In 1980, a greater proportion of natives than non-natives were in the lowest average personal income bracket. Among the various native groups, two-thirds or more of persons 15 years and over earned less than $10,000 per year, compared to only slightly more than one-half of non-natives. Less than one-tenth of natives earned $20,000 or more, compared to one-fifth of non-natives.

The lower levels of personal income among natives reflect a combination of factors:

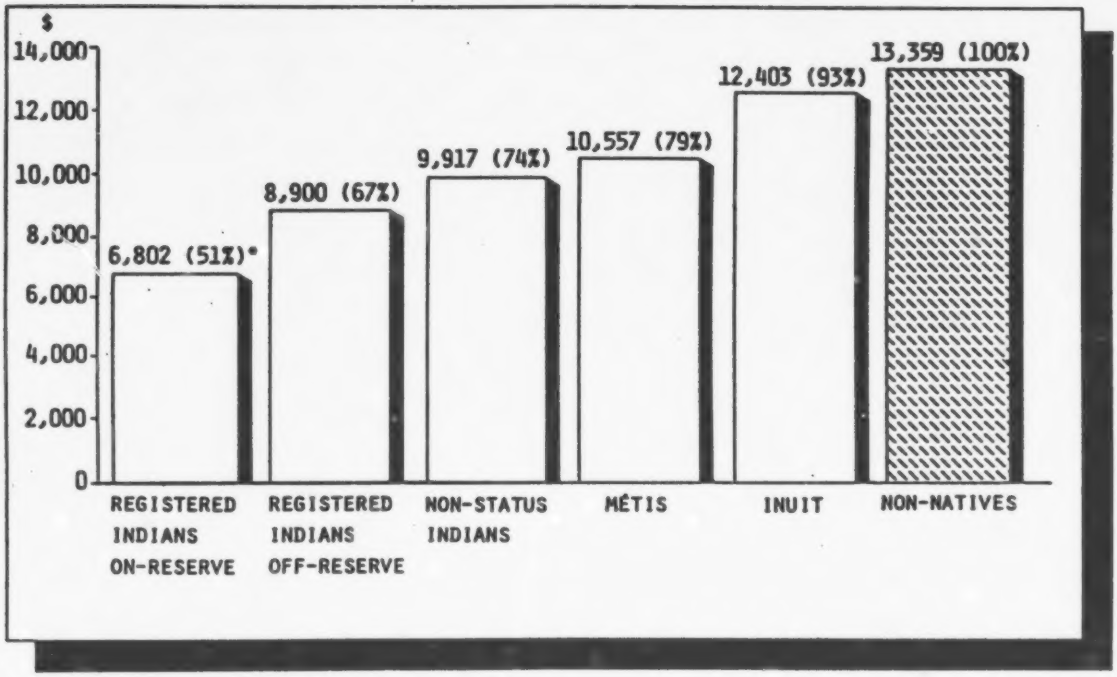
- lower levels of labour force participation among native peoples
- lower levels of employment success among native peoples
- a greater tendency for native persons to be employed in lower-paying occupations
- a greater tendency for native persons to be involved in part-time or seasonal work
- a higher tendency for natives to be involved in non-wage and/or traditional pursuits

For natives and non-natives alike, males on average earn more than females. Given low overall income levels among native people, this means that native women rank among the most impoverished peoples in Canada. In 1980, 30% of native women had no income and an additional 37% had incomes of less than $5,000. Almost nine women in ten had incomes of less than $10,000 (87%).

In absolute terms, average personal incomes for native groups in 1980 ranged from a high of 93% of that of non-natives for the Inuit, to a low of one-half that of non-natives for status Indians living on-reserve.

AVERAGE PERSONAL INCOME, NATIVES AND NON-NATIVES, ONTARIO, 1980

(POPULATION 15 YEARS AND OVER WITH INCOME)



* % OF NON-NATIVE AVERAGE PERSONAL INCOME

SOURCE: INAC CUSTOMIZED DATA BASED ON 1981 CENSUS OF CANADA.

FAMILY INCOME

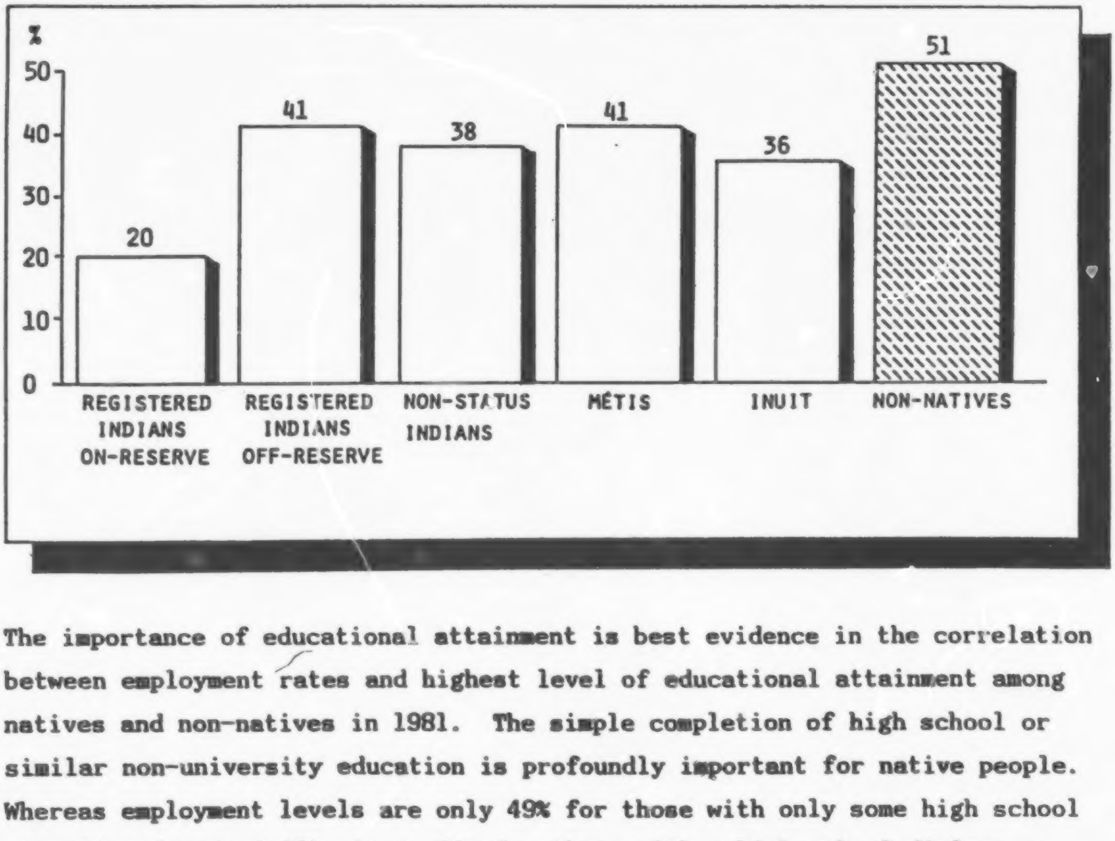
The average income earned for so-called "economic families" (persons sharing a common dwelling unit) was substantially lower for native in 1980 than it was for non-natives. This is particularly serious since the average family size of native groups is up to 20% larger than that of non-natives. The situation is most acute for status Indians - especially those living in rural areas. Average economic family income in 1980 for this group was only 57% that of non-natives, while the average family size was 32% larger than that of non-natives.

EDUCATION

In general, native groups demonstrate lower average levels of educational attainment than non-natives. For example, the proportion of non-natives with at least some university education (14%) is almost double that of status Indians living off-reserve, non-status Indians, Métis and Inuit (8%), and is almost five times that of status Indians living on-reserve (3%).

While fully one-half (51%) of non-natives have a high school diploma or higher, only two-fifths or less of native groups have such educational attainment.

PERCENTAGE OF POPULATION WITH HIGH SCHOOL DIPLOMA OR HIGHER, NATIVES AND NON-NATIVES, ONTARIO, 1981
(POPULATION 15 YEARS AND OVER, NOT ATTENDING SCHOOL)



The importance of educational attainment is best evidence in the correlation between employment rates and highest level of educational attainment among natives and non-natives in 1981. The simple completion of high school or similar non-university education is profoundly important for native people. Whereas employment levels are only 49% for those with only some high school education (grade 9-13), it is 69% for those with a high school diploma or equivalent. Although natives (males and females alike) exhibit lower levels of employment than non-natives for most categories of schooling attained, the relative importance of improved education for natives is significant. This is best highlighted by the fact that the employment rate of natives with a university certificate, diploma or degree (90%) is higher than that of non-natives (85%).

The importance of educational attainment is further illustrated by the correlation between educational attainment and the proportion of the population 15 years and over no longer attending school with more than $20,000 personal income in 1980. Although natives (both males and females alike) have lower proportions in the higher income brackets at every level of educational attainment than do non-natives, it is clear that a greater proportion of natives with higher education are in the upper income brackets. For example, slightly more than one-quarter of natives with only some university education had more than $20,000 personal income in 1980, compared to almost one-half with a completed university certificate, diploma or degree.

It should be appreciated, however, that at every level of educational attainment there are significant disparities not only between natives and non-natives but between males and females. Native peoples in general, and native women in particular, suffer employment and income disparities even where they have comparable levels of educational attainment to their male and/or non-native counterparts.

NATIVE BUSINESSES

According to data maintained by the Ontario regional offices of Indian and Northern Affairs Canada, there were at least 1,144 native-owned and controlled businesses operating in Ontario in 1986. Since INAC's database focuses on Indian-owned and controlled businesses - especially those which have received formal government assistance for services, the number of native (i.e. including Métis, non-status and Inuit plus those Indian businesses not listed with INAC) enterprises in Ontario is considered to be substantially higher.

Native businesses are typically modest in size, and cover all key sectors (agriculture, forestry, retail and personal service operations, construction, tourism and recreation, transportation services, manufacturing and processing, professional services, arts, crafts, land management & leasing, and other diverse enterprises. The range of native enterprises reflects the diversity of resource endowments of native communities (including Indian reserves) and the diversity of the local economic infrastructure, labour markets, commodity markets and related economic opportunities with reasonable access.

In addition to individual and family ownership arrangements, are collective ownership and control arrangements involving native associations, bands, tribal councils, community cooperatives and other arrangements favoured by native entrepreneurs.

Native-owned and/or managed enterprises play an important role in offering business and employment opportunities for native peoples. At the same time, they help ensure provision of important goods and services for the community and reduced dependence of native peoples on the mainstream economy for goods and services "imported" into native communities by non-natives. In this sense, native businesses play an important role in complementing other economic and employment arrangements including involvement in informal traditional pursuits (e.g. subsistence hunting and trapping) and employment in enterprises owned and controlled by other Canadians. In addition to enterprises owned outright by native people, are several joint ventures involving native and non-native equity participants. The majority of native businesses cater to the needs of the native community. However, a significant number effectively penetrate off-reserve markets, and a few are sufficiently large, unusual or successful to contribute substantially to the local, regional and, in some cases, national mainstream economies.

NATIVE ECONOMIC INSTITUTIONS

The emergence of native-owned and/or managed ***economic institutions*** serving as financial and development ***intermediaries*** for the benefit of native businesses and entrepreneurs has contributed appreciably to the growth and expansion of economic and employment opportunities for natives throughout Ontario. These economic institutions play an important role in aiding the start-up and on-going operation of native businesses by providing financial, technical, advisory and advocacy services through native-owned and controlled delivery mechanisms which are naturally sympathetic and responsive to native conditions, circumstances and cultural aspirations. These native economic institutions complement the business advisory, financial and development services available to native businesses throughout Ontario's mainstream business community (e.g. chartered banks, trust companies, stock brokers, investment dealers, credit unions, venture capital companies, etc.).

Examples of native economic institutions in Ontario include:

- **Sectoral Development Institutions**, devoted to the development and support of one particular industrial sector, such as the Indian Agricultural Program of Ontario, the Ontario Indian Wild Rice Development Agency Inc., and the Indian Forestry Development Program.

- **Regional Development Institutions**, which provide a comprehensive range of business support services (as per sectoral development institutions) but which focus on a full range of business enterprises within a given community or region, such as ARISE (the Association of Reserves for Improving Social Economics), the Ontario Métis and Non-Status Indian Association Development Corporation, and the Mohawk Development Corporation Akwesasne.

- **Specialized Business Service Institutions**, which provide a limited range of services (often only one service to the full range of businesses or enterprises within their given constituency, such as the Ontario Indian Economic Development Board and Project Northtalk, which play major advocacy and policy advisory roles in the areas of native economic development. (In western provinces, there is a greater preponderance of native financial and business advisory institutions which play a more direct role in business start-ups.)

V Development Opportunities

INTRODUCTION

This chapter provides an overview and assessment of the range of economic and employment development opportunities which were either known or believed to be available to various native groups and communities throughout Ontario. In some cases, the opportunities are directly and specifically related to an individual community, depending upon its resource base, geographic location or unique circumstances. In other cases, the opportunities are more broadly related to the regional circumstances in which many native people are located.

It must be understood that the existence of an opportunity does not in itself ensure economic success. Many variables and factors determine the degree to which a specific opportunity can be successfully exploited. In addition, it must be appreciated that the identification of economic "opportunities" can only meaningfully be carried out with the direct consultation and involvement of the native groups themselves. This is true because economic development must reflect the values, priorities and aspirations of the direct participants and beneficiaries. Accordingly, this overview of development opportunities should be viewed as a conceptual framework in which more specific analysis, consultation and planning can be undertaken.

The opportunities include not only business development opportunities, but also opportunities for enhanced employment either within the native communities or in the mainstream economy. Wherever possible, estimates of the scope and range of opportunities have been provided. In most cases, however, there has not been adequate data or sufficient attention to detailed analysis to provide detailed estimates of opportunity.

GENERAL FACTORS ENHANCING NATIVE ECONOMIC OPPORTUNITIES

There are several factors which influence the general economic opportunities of many native communities. These general factors are not specifically related to any individual economic or industrial sector, but rather affect a broad range of specific enterprise or employment opportunities.

. **Land Base**: Ontario natives are significant property-holders whose land assets constitute valuable bases for a wide range of commercial and/or traditional pursuits. As of 1984, the land base of Indian reserves amounted to over 693,000 hectares (1.7 million acres). This amounted to 13.1 hectares (32.8 acres) for every, man, woman and child living on-reserve in 1984. Although no data are readily available for the property holdings of non-status Indians, Métis and Inuit, it is believed that they also are holders of real property - though likely not to the same extent as status Indians with their reserve lands. This land base offers opportunity for exploitation of renewable and non-renewable resources, including opportunities for letting of land for residential, commercial, industrial and/or recreational purposes. (Note: By increasing the number of status Indians, Bill C-31 may tend to reduce the per capita share of reserve land among status Indians. This may be offset, however, by settlement of land claims and by establishment of new or expanded reserves.)

. **Community Capital**: as native groups have their land and other claims resolved and settled with government, certain groups will have appreciable pools of capital available for re-investment. This may provide significant opportunities for some communities to invest in community or commercial infrastructure in support of economic development. It may also provide an attractive base to operate loan and loan guarantee funds on behalf of constituent members. Finally, it may also be used to enter into joint ventures with non-native commercial interests for economic development and investment purposes either within or outside the native community.

- **Low Labour Costs**: it is believed that wage rates paid to native workers are extremely competitive with those paid to other workers in Ontario. This reflects a determination on the part of many native people to establish a foothold in the labour market and to attract and retain meaningful jobs. In the case of status Indians living and working on-reserve, it also reflects the competitive advantage offered by their exemption from personal income tax. Other factors, including a willingness to job share and an eagerness to escape from a life of dependency also come to bear. Many businesses are finding native workers to be industrious, reliable and productive.

- **Community Cohesiveness**: Native men and women attach great importance to the strength and stability of their communities. With strong and dedicated community leadership and active group involvement in community planning and decision-making, many native communities offer an excellent place to locate businesses. In some cases community decisions regarding the construction of infrastructure, the approval of development plans, and the provision of other forms of support for business can be made more quickly and decisively than in larger and less cohesive communities.

- **Strength of Family**: The native tradition of strong extended families creates an attractive climate for business activity. Many native businesses and joint-venture initiatives involve extended family participation. This provides a broad network of financial and human support for the operation and expansion of the business. Family members provide back-up to handle all aspects of work, marketing, accounting, etc.

- **Legitimacy of Native Traditions**: There are several businesses where native people have a favourable reputation and moral legitimacy not otherwise available to the non-native community. Some of the more obvious examples include participation in the fur trade which has been wraught with international condemnation on the issue of cruelty to animals. In view of the cultural significance and long tradition of native involvement in such pursuits, there is some opportunity for natives to expand and take better advantage of the commercial opportunities inherent.

. **Special Knowledge**: Many native people have special knowledge of specific commercial pursuits (e.g. fishing, hunting, trapping, tanning, crafts and decorative arts) and/or of geographic areas (i.e. remote areas and the north) which enable them to pursue careers or business opportunities as outfitters, guides, community leaders, surveyors, conservation officers, tourism operators, local/regional development workers, artisans, etc.). As northern Ontario becomes more fully developed, it is expected that native individuals may play a meaningful role in certain aspects of the development. This may also take advantage of their tradition of environmental sensitivity and resource conservation.

THE HUMAN RESOURCE BASE

Perhaps the greatest development opportunities for native men and women in Ontario stem from the people themselves. As indicated by the socio-economic data in Appendix C, native people constitute a growing segment of the population of Ontario. The native population is basically young and ready to become productive. Native women are not as active in the labour force as they would like to be.

Educational attainment of native people is, however, below the provincial average and this could affect their ability to participate in the benefits of economic development. On the other hand, if education for native people can be developed to direct productive efforts into areas where they have a unique advantage, theirs can be a significant contribution to the overall economic development of the province.

As of 1981, there were an estimated 69,000 native men and women in Ontario 15 years of age or over. Approximately half were employed - representing a solid base of over 34,000 native people active in the labour force. The remaining 35,000 who were not employed at the time constitute an appreciable pool of potential entrepreneurs and workers. Although educational levels of natives do not yet compare favourably with those of non-natives, the vast majority of natives have some formal schooling to complement the life skills they have developed in their native communities. For example, fully one-half of the unemployed natives have completed elementary school, and almost one-fifth had a high school diploma or higher.

Natives 15 Years and Over, 1981

Highest Level of Educational Attainment	Employed		Unemployed		Total	
	#	%	#	%	#	%
No Schooling	704	2%	3 436	10%	4 140	6%
Grade 1-8	6 569	19%	12 751	37%	19 320	28%
Grade 9-13	11 495	33%	11 965	35%	23 460	34%
High School Diploma or other Non-University	12 379	36%	5 561	16%	17 940	26%
Some University	2 042	6%	718	2%	2 760	4%
University	1 242	4%	138	<1%	1 380	2%
TOTAL	34 431	100%	34 569	100%	69 000	100%

Native people who have, in the formal sense, attained higher levels of education have not always left the native community or become alienated from native concerns. Quite to the contrary, they are generally determined to work for the betterment of their respective communities. As more Indian youth (males and females alike) are at present achieving higher levels of educational attainment, this can only be taken as a positive sign in regards to economic development for native people. At the same time, the plight of under-educated native people - especially poorly educated women (who face the most significant barriers to successful employment and career development) - demands special consideration.

NATURAL RESOURCE-RELATED OPPORTUNITIES

Agriculture and Animal Husbandry

With an average of 13.1 hectares (32.8 acres) of reserve land per capita (on-reserve population only) in 1984, status Indians in Ontario ranked third behind their counterparts in Alberta and Saskatchewan. (Actually, since the land base in Ontario is more favourable for intensive crop production and market gardening, Ontario is likely highest among all provinces in terms of overall productive land per capita. Farms in the prairie provinces, for example, require larger acreages for viable operation.)

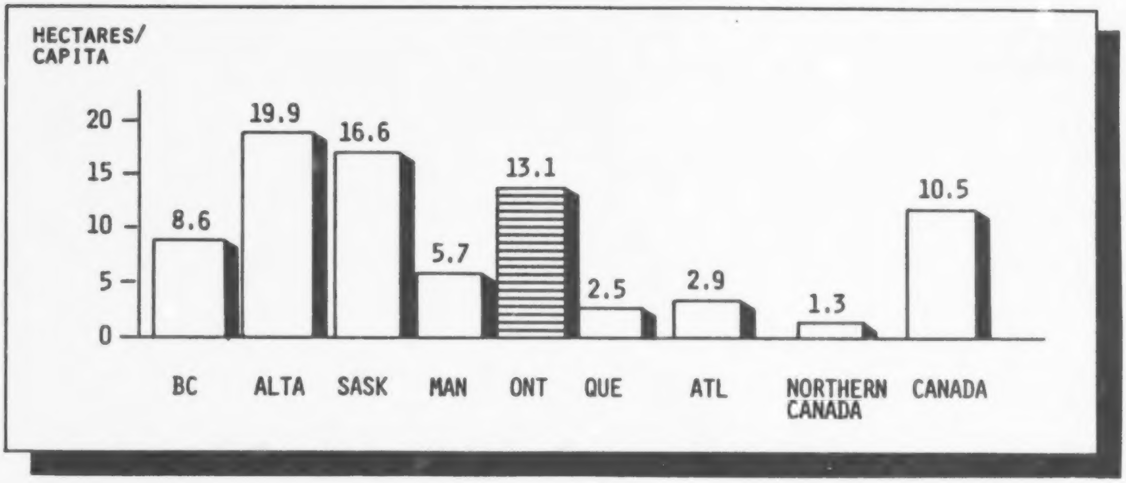
According to Environment Canada's Canada Land Inventory (CLI) classification, Indian reserve lands in Ontario compare very favourably with non-reserve lands in the same regions. There are an estimated 78,284 hectares (193,361 acres) of land with Class 1, 2 or 3 soil capability for agriculture on Indian reserves in the province. This means that fully one-quarter of all Indian reserve lands in the Canada Land Inventory survey area (i.e. virtually all arable regions of the province) have good to excellent capability for agriculture. This is almost exactly the same proportion as for other (i.e. non-reserve) lands in the CLI survey area in Ontario. In other words, acre for acre, Indian reserve lands in Ontario are essentially as good as non-reserve lands for agriculture within the areas included in the Canada Land Inventory. (For Indian reserve lands and non-reserve lands alike outside the Canada Land Inventory study area, most lands are not suitable for productive agriculture, except in isolated instances.)

On a ***per capita basis*** the amount of prime agricultural land (i.e. Classes 1-3 inclusive) for the total on-reserve population in Ontario amounts to 3.7 acres - almost ***double*** the 2.0 acres per capita for the rest of the population in Ontario.

The land classification of capability for agriculture is based upon consideration of soil characteristics and their suitability for cultivated field crops and/or perennial forage crops. (The classification does not include capability of soils for trees, tree fruits, small fruits, ornamental plants, recreation, or wildlife. Nor does that classification take into account such factors as distance to market, type of roads, location, size of farms, type of ownership, cultural patterns, skill or resources of individual operators, and hazard of crop damage by storms.) Land requiring improvements (e.g. clearing) that can be made economically by the owner is classed according to its limitations or hazards in use as if the improvements have been made. Land requiring improvements deemed beyond the means of the individual owner is classed according to its present condition.

Class 1, 2 and 3 soils are generally considered to have the highest and most potentially productive capabilities for agriculture. Class 1 soils have no significant limitations in use for crops, while Class 2 and Class 3 soils have moderate limitations and moderately severe limitations, respectively, that restrict the range of crops or require moderate or special conservation practices. The classification system takes into account the different geographic zones of Canada, reflecting the suitability of soils within each broad geographic zone for crops common to that zone (e.g. wheat in the prairies and market vegetables in southern Ontario).

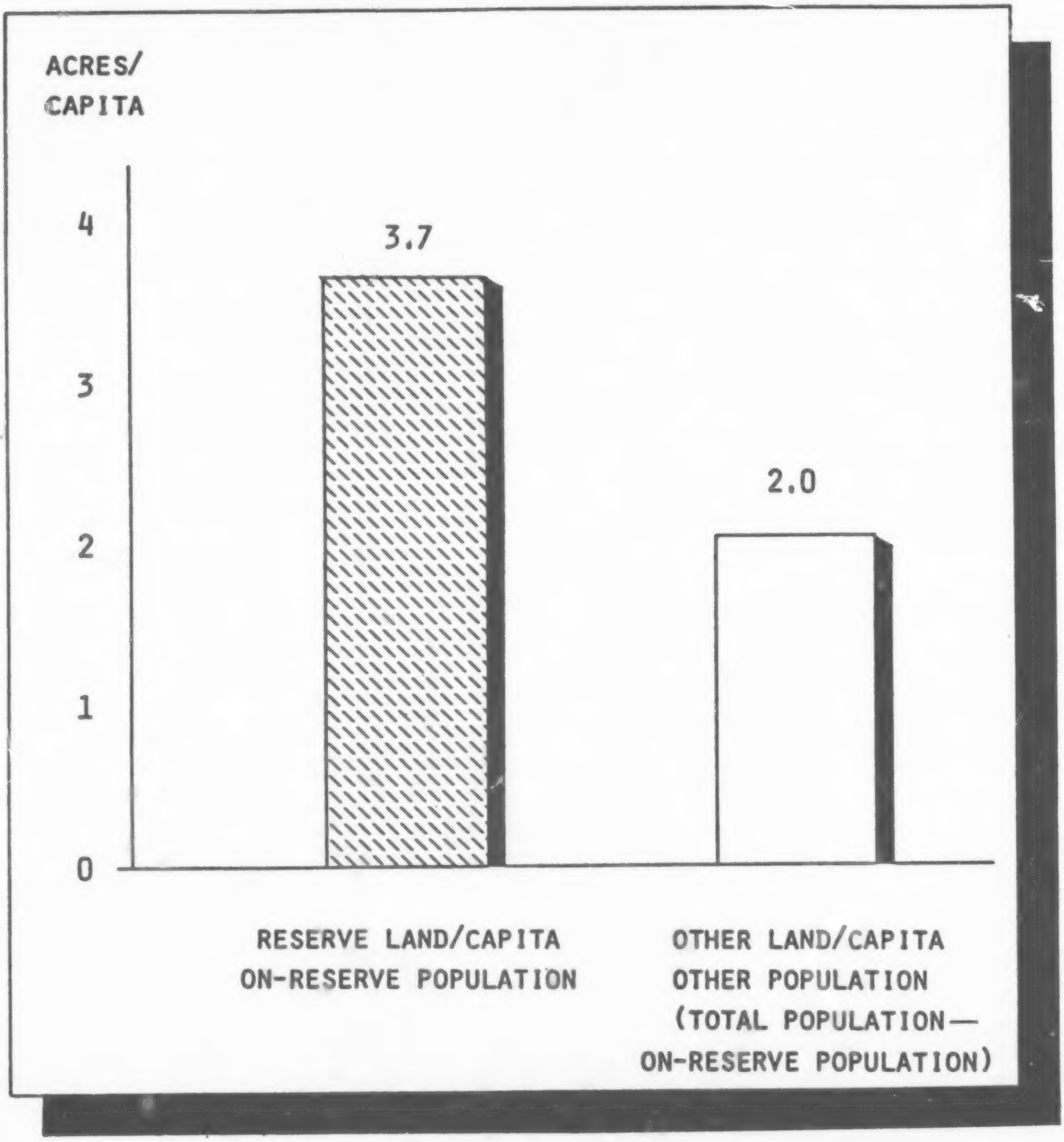
RESERVE LAND PER CAPITA, ON-RESERVE POPULATION
BY PROVINCE/REGION, 1984



RESERVE LANDS IN ONTARIO: LAND CAPABILITY FOR AGRICULTURE

		HECTARES	ACRES	% OF ALL RESERVE LANDS IN CLI AREA	% OTHER LANDS IN CLI AREA
A.	CLASS 1	6,383	15,765	2%	8%
	CLASS 2	40,545	100,146	13%	8%
	CLASS 3	31,356	77,450	10%	11%
	CLASSES 1-3	78,284	193,361	25%	27%
B.	CLASSES 4-8	240,551	594,163	75%	73%

CLASS 1-3 LAND FOR AGRICULTURE, 1984



Status Indians in Ontario have access to large areas of prime agricultural and grazing land. Historically, native people in the southern part of the province were agricultural pioneers and introduced numerous crops now in common use (e.g. corn, beans, squash, pumpkins, tomatoes). Even in the north it can be demonstrated that so-called "wild" rice crops have actually resulted from generations of seeding and management of the resource by native people. In spite of this history, however, native people, with some notable exceptions are not prominent as farmers in Ontario. Some of these exceptions would include a few successful native people in dairy, beef farm and cash crop operations.

There are various reasons for this. First of all, historic native agriculture has been for subsistence food production rather than for generation of cash by crop sales. Furthermore, in the case of status Indians it has been difficult if not impossible to obtain the machinery required to become competitive in modern agriculture. The normal means of financing purchases of such machinery is to borrow while putting up agricultural land as collateral for equipment loans. Financial institutions cannot, however, accept Indian lands as collateral.

There are various ways of approaching native involvement in agriculture. One is to try and overcome the impediments to financing large scale commercial farming. The Indian Agricultural Program of Ontario represents a potential vehicle to overcome some of the existing impediments. Another approach would be to identify unique agricultural activities which could become the specialty of native people. Some examples are listed below:

- indigenous berry crops (e.g. blueberries, service berries, cranberries, etc. which use non capital intensive production methods)
- market gardening for sale of produce within native communities or to neighbouring communities (market gardening by definition makes use of small plots and non capital intensive production methods)
- wildlife ranching (e.g. deer, elk, pheasant, etc.)
- production of native "specialty" crops (e.g. Indian corn)

- enhanced cultivation and management of indigenous semi-cultivated crops (e.g. wild rice)

Wild Rice

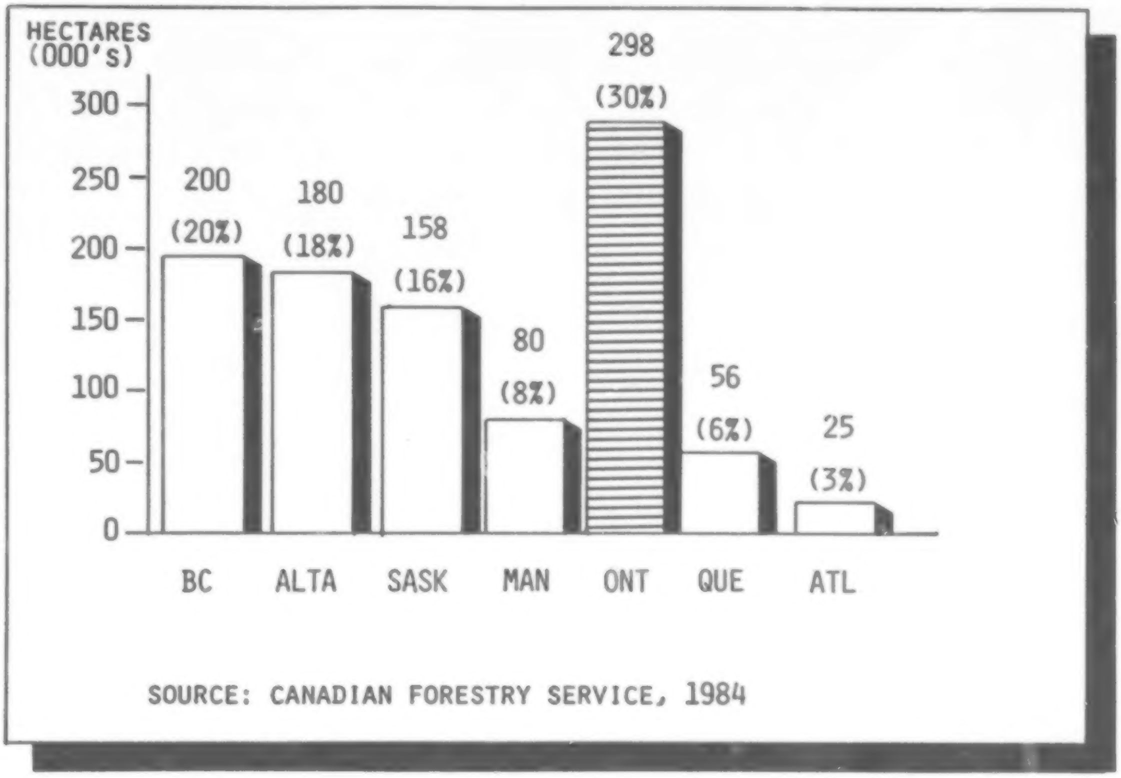
Wild rice has been the subject of a research program carried out at Lakehead University over the past 5 years. This study has provided new information concerning seeding and harvesting technology, identification of rice types for specific lake conditions, lake selection, regulation of water levels and other matters in wild rice production. According to a June, 1986 discussion paper on ***The Current Status and Future Viability of the Ontario Wild Rice Industry***, produced by the Ontario Ministry of Agriculture and Food, up to 100,000 acres of northern Ontario lakes are suitable for wild rice production. At the present time, less than 30,000 acres are harvested in Ontario.

Long grain lake rice is valued for gourmet cooking as well as for prepared blends with white rice, stuffings, flour and soups. Domestic and international markets exist at present and further market potential is evident in areas such as Japan. Increased production, using improved lake production technology, could result in significant "spin-off" effects on local economies such as a demand for additional processing facilities, harvesting labour and equipment, and transportation services.

Forestry

As of 1981, there were more than 298,000 hectares (745,000 acres) of stocked productive forest land on Indian reserves in Ontario. This accounted for 30% of the total productive forest land on all Indian reserves in Canada. In addition to reserve forest lands, are extensive stocked and/or potentially productive forest lands on crown-owned properties (both federal and provincial). Many native businesses either currently enjoy access to the forestry resources or could do so under appropriate circumstances.

STOCKED PRODUCTIVE FOREST LAND ON
INDIAN RESERVES, BY PROVINCE/REGION, 1981



SOURCE: CANADIAN FORESTRY SERVICE, 1984

Native people of all classifications in Ontario have had a long involvement with forest industries. In the heyday of white pine exploitation in the Ottawa Valley for example, many of the lumberjacks and "raftsmen" were native. This tradition has continued in certain northern and eastern parts of the province where large numbers of native people are contracted as logging "crews" on a seasonal basis. In addition to this background in the industry, there are extensive forestry resources on or adjacent to native lands in the northern parts of the province.

Currently, however, Canadian forest industries are experiencing problems in the worldwide market due to numerous factors. These include the following:

- depleted stocks of harvest-ready forest stands
- diminishing demand
- success of coniferous plantation programs in regions with fast growth rates (e.g. southern U.S.A., South America)
- poor domestic forest management
- lack of adequate conservation and reforestation programs

These problems could tend to limit native involvement in forestry. They could also however create opportunities in involvement in forest management, conservation and reforestation.

In spite of the decreasing world demand for Ontario lumber, there are some very significant opportunities to fill gaps in local markets. In many small northern communities, for example logs are extracted and exported whole to larger regional centres for milling. These same communities lack sawn lumber for construction purposes. In native communities for example, there are examples of pre-fabricated housing being delivered at extremely high costs to remote areas in the middle of vast timber stands.

Portable sawmills are now available for less than $10,000 which will cut up to 3,000 board feet per day of dimension lumber. For investments of up to $50,000, mills can be obtained which will cut up to 25,000 board feet per day. These mills come with attachments which will cut roofing shingles and beveled siding, as well as standard dimension lumber.

If seasoning by air drying is not sufficient, there are numerous designs for drying kilns which cost less than $20,000 to construct and can be fired by wood waste. Kiln-dried lumber can be used for furniture, cabinets, doors and door and window frames.

There is an apparent opportunity for native communities to develop small scale sawmilling, lumber processing, joinery and other related activities to serve local markets in remote areas. Neither the capital nor training costs are high in order to enter these activities. The benefits can be significant both in terms of providing better, local access to building materials and in terms of deriving income from local markets.

Fisheries

After several decades of decline, both commercial and sport fisheries have experienced recent revival in the province of Ontario. Native people have an historic involvement with both types of fishery. Sport fishing is discussed below under tourism. In regards to commercial fisheries, the main opportunities for native people arise from their proximity to the resources. Factors limiting native involvement in commercial fisheries include lack of shore facilities for freezing and/or processing and poor infrastructure and transportation services for getting the fish to market. If these problems can be overcome the markets are open for development. Fish is becoming increasingly important as part of the diet of North Americans. Demand for species such as pickerel and whitefish is increasing and buyers, especially those in the U.S.A., will pay a premium for high quality and environmentally-sound (i.e. contaminant-free) produce.

In addition to market-oriented fisheries, fish is important to native people as a source of food. This food source can be enhanced and made more reliable by careful management. Other potential areas of involvement for native people include:

- fish hatcheries
- involvement in conservation programs
- aquaculture

At present, aquaculture is not an important economic activity in any area of the province. There are however numerous examples of marginal land with readily available water resources which have become highly productive through aquaculture. This could present a significant opportunity for native communities, where climatic conditions permit.

Wildlife-Related Activities

Historically virtually all native communities in the province have at one time or another in their history depended on wildlife as a major food source. In northern areas, this dependence continues. Some forms of wildlife (e.g. deer and elk) can be ranched and their meat and other byproducts sold commercially. Such ranching has been extremely successful in New Zealand and is beginning to be introduced in Canada. Wildlife can be ranched in areas which would not support domestic cattle. This is largely because of the fact that wildlife can forage in their natural habitat. Indications are that international demand (especially in Europe) for so-called game meat (e.g. deer and elk venison) is on the increase and that it will be a number of years before world supply can meet this demand. Native people with their historic involvement with and knowledge of wildlife and their proximity to areas where wildlife thrive are in a unique position to take advantage of these trends.

While it may take a number of years to develop wildlife ranching as a major activity among Ontario natives, there are many byproducts of the wildlife harvest which can be marketed for revenue generation. These include the following:

- hides
- velvet from horn
- horns of deer and moose for decorative use (e.g. handles of knives, etc. and for patent medicines)

In addition, there are opportunities for native involvement in the following activities in relation to wildlife management:

- population maintenance and enhancement
- harvest control (user regulation)
- species introduction and stocking
- habitat maintenance and enhancement (regulation and restoration)

The Fur Industry

Ontario produces over 50% of Canada's wild furs as well as a major portion of ranched furs. The two major fur auctions in the country are both held in Ontario; the Ontario Trappers Association auction in North Bay and the Hudson's Bay Company auction in Toronto. Ontario natives are major participants in the harvest of wild furs and have an historic involvement with the fur trade. To trappers, the wild animals which they harvest are important not only for fur but also as a source of food for basic subsistence.

The fur industry, in spite of recent setbacks in Europe due to the anti-trapping movement, is experiencing perhaps one of its greatest growth periods in the last 30 years. The increased markets are largely domestic and in the U.S.A. Market growth can be attributed to two major factors:

- the entry of "baby boomers" into their prime income earning years

- the increasing number of women holding middle and higher income positions and the resultant increase in female disposable income

While fur harvesting still provides only a marginal income to trappers, it is important that this activity be maintained and that native trappers be able to integrate this activity with other activities generative of both subsistence and cash income e.g. fisheries, hunting, sale of other wildlife byproducts.

In addition to trapping, there is income potential for native people in other areas of the fur industry. These include:

- fur ranching
- fur processing (i.e. dressing and dying)
- fur garment manufacture

The latter two opportunities will be discussed further in "*Fur Processing and Garment Manufacture*".

Recreational Land Use and Development

Much of the Ontario land which is either owned and inhabited by native people or is adjacent to major concentrations of native people, can be classified as prime recreational land. In northern Ontario especially, there are a number of native people involved in outfitting and guiding, and in the operation of tourist and other recreational facilities. Impediments to increasing recreational land development include the lack of adequate infrastructures, lack of training for native people in recreation and personal service industries and the cyclical nature of operations, resulting in uncertain income. This potential can nevertheless be built upon and expanded.

Tourism

Opportunities for native peoples in the development of the tourism industry in Ontario stem from two major advantages. First, the location of many reserves and communities, especially those in the near and remote north, allows native people to be active players in the major tourism initiatives being undertaken by the province in northern Ontario. Secondly, native people enjoy cultural and historical distinctives which create unique opportunities for tourism.

The marketing of native tourist facilities and attractions may be enhanced by these unique aspects of native culture, providing that such strategies are initiated and controlled by native people. Opportunities based on unique cultural, historical and reserve-based factors include the development of:

- cultural and educational package tours;
- heritage and archaeological sites;
- art, performing arts, and craft events;
- bingo and other recreational events;
- special festivals (e.g. open pow wows);
- guiding and hunting ventures;
- facilities in Provincial Parks;
- cultural exchange programs.

Industrial Mineral Development

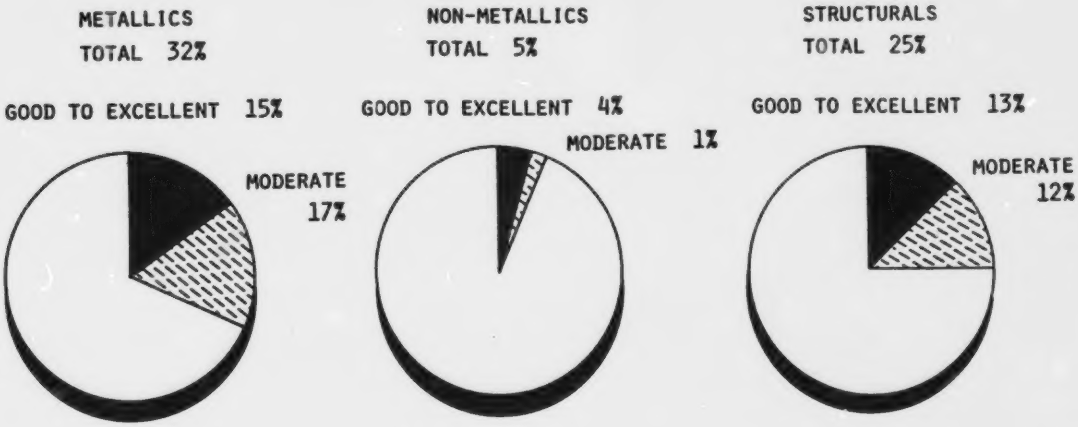
Data on the mineral resource endowment of Indian reserve lands are incomplete. A 1979 report on 186 reserves surveyed in Ontario indicated that 32 had moderate or good to excellent capability for metallic minerals; 5 had moderate or good to excellent capability for non-metallic minerals; and 25 had similar capabilities for structural materials (sand and gravel, etc.). It is possible, and in fact likely, that many more reserves have some form of mineral potential. In addition, many native communities (i.e. not just Indian reserves) are located in areas where there are extensive mineral resources.

Development opportunities include:

- direct exploitation, processing and marketing of reserve resources
- issuance of licences and/or other agreements for exploitation of on-reserve resources by other interests
- joint-venturing activities on-reserve
- pursuit of resource development opportunities in areas adjacent to native communities

The 1986 Indian Lands Agreement replaces the 1924 revenue-sharing formula which had restricted Indian share of mineral reserves to 50%. Under the new agreement, Indian bands will be entitled to 100% of mineral revenues from reserve exploration and development - thereby providing new incentive for expanded mineral activity.

MINERAL INVENTORY
% OF RESERVES IN ONTARIO WITH MODERATE TO
EXCELLENT MINERAL POTENTIAL
(186 RESERVES SURVEYED; 1979, INAC RESERVES & TRUSTS BRANCH)



Sand, gravel, granite, limestone, marble, quartz, and clay are all quarried and have numerous uses in the construction, building and consumer products industries. Natural stone is very much in vogue as a facing and flooring material for both the interiors and exteriors of large buildings. Synthetic materials are also being created which use large quantities of quarried products. Examples include:

- angelstone - an artificial sandstone whose major input is common silica sand

- synthetic marble - which uses crushed limestone and quartz combined with plastic resins

More research is required in order to determine what potential there is for quarrying on native lands.

As well as creating income from resource extraction, quarrying has potential for creation of income from secondary activities.

Peat Extraction

Peat is an organic material which is in the process of metamorphosis into a mineral resource (i.e. coal). Applications include peat as a source of energy, as a growing medium for horticultural and gardening purposes, as bedding material for livestock, and as an organic material for "medicinal" and "health" applications (e.g. akin to mud baths).

Ontario has 15% of Canada's peat resources, most of which are in northern Ontario. Ontario is also Canada's biggest market for horticultural peat, although it only produces 50% of the total peat sold in Canada. Peat is abundant in northern Ontario and has extensive potential use there as part of a potting soil mix for tree seedlings. It can also be marketed in southern Ontario for agricultural purposes and household gardening.

With appropriate technical and financial assistance, this industry could become important for native people in northern Ontario. The Canadian peat market is not yet as well-developed as those in Europe, but as applications become better known, and as technical harvesting, de-watering, distribution and marketing problems are resolved, the demand for domestic peat is expected to increase significantly.

Energy Production

The access which native people, especially in northern Ontario enjoy to natural resources creates opportunities for the operation of electricity production facilities by native people and/or on native land. Sources for such electricity production could include "small hydro" developments and the use of biomass. "Small hydro" is now defined as a site generating up to 20 megawatts of electricity; enough to service a town of 2000 homes. Small hydro is viewed in certain locations as a viable and economic alternative to nuclear and thermal energy. The Ontario Ministry of Natural Resources has developed an inventory of some 500 known, potentially developable sites, most of which are in northern Ontario.

Similar to "small hydro", certain forms of biomass usage are now considered viable in producing electricity. These include burning low value wood such as poplar and various wood wastes from sawmilling. Potential also exists for development of energy producing facilities in remote areas which use these products.

A market for cheap electricity certainly exists for remote areas in northern Ontario. With appropriate technical assistance, this market can be exploited by native people.

OPPORTUNITIES FOR THE MANUFACTURE AND/OR MARKETING OF UNIQUE NATIVE PRODUCTS AND SERVICES

In the past numerous unique products have been manufactured and marketed by Ontario natives. These have included the following:

- jewellery and decorative objets
- canoes
- snowshoes
- lacrosse sticks
- moccasins
- leather handicrafts

Below, certain possibilities are discussed and enlarged upon.

Fur Processing, and Garment Design & Manufacture

Although a large proportion of Canadian furs originate in Ontario, 85% of the country's garment manufacturing industry is centred in Montreal. Some fur garments are manufactured in Toronto, but the percentage is not significant. As previously mentioned, markets for Canadian produced fur garments have proved to be extremely buoyant in recent years. The fur industry is however experiencing problems for the following reasons:

- the cost of labour and benefits in urban areas such as Montreal and Toronto is increasing

- anti-fur activities are depicting fur as a luxury product which derives from the brutal slaughter of innocent animals

The fur industry has shown interest in increased native involvement for several reasons:

- the fur garment industry is skilled labour intensive and requires a high degree of dextrous facility. In order to generate savings, attempts have been made to move parts of this industry to the orient. These have not met with complete success due to factors that Canada is the major source of raw furs and Montreal is still probably the most important centre of fur fashion in the world. Native people in production of various handicraft items have exhibited certain skills similar to those required in fur garment manufacture. By locating fur garment manufacturing establishments on reserves (preferably reserves within two to three hours driving from Montreal and Toronto) there can be considerable cost savings. These are not necessarily derived from paying lower wages to Indians on-reserve but rather are derived from the fact that the 32% benefit package which is paid on top of wages in Montreal would be much smaller on-reserve. This is due to the fact that Indians on-reserve do not pay into such programs as UIC, CPP and provincial health plans.

- fur garments as distinctive "native" products produced on-reserve may gain duty-free access to the U.S. market.

- by emphasizing the "nativeness" of fur as a product at all stages from resource harvesting to manufacture, furriers can detract from the negative images depicted by animal rights activities.

In addition to fur garment manufacture, there are also opportunities for locating other stages in fur processing on reserves. The most important of these activities are dressing (i.e. tanning) and dying.

Unique Native Foods, Herbs and Patent Medicines

Consumers are constantly on the lookout for new and unique food items. Some native groups have already taken advantage of this. Wild rice has become a luxury item. Beef jerky has been marketed worldwide by Saskatchewan natives. By advanced processing, packaging and marketing techniques, similar markets can be created for items such as:

- corn soup
- native herbal and medicinal teas
- smoked fish
- game meat and poultry

Numerous examples exist of how fortunes have been created from the sale of various patented medicines. Korean ginseng root is one of the best known examples. The native people of Canada have a wealth of traditional remedies, many of which have been demonstrated to work over years of use. This, if appropriately researched, developed, processed and packaged, can be promoted to an increasingly health-conscious consumer world.

Arts

Native artists are active, and enjoy international reputation, in a wide range of media: print making, decorative arts, painting, and sculpture in wood, stone and bone. Although the Indian arts industry has been threatened by non-native imitators and by insufficient support for marketing, there is considerable scope for improving returns on native art through more professional and aggressive domestic and international marketing, and by direct native involvement in all facets of production, distribution and marketing.

Crafts

Native participation in crafts is even more broad-based than the formal creative arts, with native men and women involved in such activities as weaving, sewing, jewellery making, tanning, basket manufacture, quill work, pottery, and design and production of a wide range of traditional artifacts and products. As with the arts, craft work allows for community and home-based work for men, women and children, often with modest overhead. As with arts, the major challenge is to increase native control over and involvement in marketing to ensure quality control, cultural integrity and maximum returns on sales to the native people involved in design, production and marketing.

Performing and Creative Arts

Native people are active in the performing and creative arts, such as theatre, music, poetry and other creative writing, cultural research and writing and traditional & contemporary dancing. Although the pursuits are often low in financial remuneration, they do represent an opportunity for some native men and women. There is some scope for development and marketing of native goods and services in the cultural and creative fields, in particular as domestic and international interest in native culture and traditions continues to expand.

OPPORTUNITIES FOR SECONDARY INDUSTRIES BASED ON PRIMARY RESOURCES READILY AVAILABLE TO NATIVE PEOPLE

The potential for resource-based industrial development has already been alluded to in *Unique Native Foods, Herbs and Patent Medicines*. Some of the secondary industry opportunities have already been mentioned previously. An extensive list of possible resource-related secondary industries is given below:

- wood building materials (i.e. lumber, shingles, siding)
- manufactured wood products (i.e. joinery and furniture)
- pre-fabricated housing
- leather goods
- fur products
- fish processing
- food processing
- peat processing
- ceramic manufacture (from local clays)
- manufacture of stone-based building materials (e.g. stone slabs, blocks and aggregates)

OPPORTUNITIES ARISING FROM THE UNIQUE LEGAL STATUS OF INDIAN RESERVES AND THE UNIQUE RIGHTS OF INDIANS

These opportunities naturally apply only to Indians on-reserve. They could however potentially also benefit non-native interests who form partnerships with status Indians. Indian reserves have numerous advantages for an industry as a potential location. They include:

- lower labour costs due to lower employment benefit payments requirements
- exemption from municipal business and property taxes and regulations
- access to concessionary funding for both capital and manpower training costs if a business is 51% native-owned and employs mainly native personnel
- a largely homogeneous work force of non-transient labour
- exemption from income tax for native employees and shareholders and as a result increased opportunities for profit sharing plans

Given these advantages, there are on-reserve possibilities for numerous arrangements such as:

- industrial parks
- joint ventures with non-native firms
- manufacture under franchising and licensing arrangements whereby majority of Indian-owned companies hold the franchises or licences
- duty-free manufacturing zones

Given locational advantages, the necessary inputs, and the will of native leaders, some of those advantages can lead to considerable gain for native communities.

OPPORTUNITIES ARISING FROM LOCATIONAL ADVANTAGES

This has already been discussed at length in relation to natural resource-related industries, mainly in northern Ontario. In southern and eastern Ontario, however several Indian reserves have distinct locational advantages. In south and southwestern Ontario, for example, many reserves are located close to the commercial, industrial and agricultural heartland of the province. Some reserves in eastern Ontario are similarly within commuting distance of Montreal and can benefit from economic activity in the province of Quebec. Numerous reserves are located close to or on the U.S. border and can derive unique benefits from such proximity combined with the historic rights of Indians as continental citizens. Locational advantages when combined with other advantages mentioned above can be used to enhance existing and inherent economic development potential, in most sectors of the economy.

Some examples of such potential industrial and commercial pursuits include:

- involvement in construction and related trades
- participation in assembly of products and equipment (e.g. electronic components, machinery and motor assemblies, etc.)
- specialized recreational and/or service facilities (e.g. retail outlets, golf and playground facilities, arcades, restaurant and accommodation facilities, etc.)
- fashion and textile services, including design and/or production/assembly

EMPLOYMENT IN PUBLIC SERVICE AND SELF-GOVERNMENT

Native men and women are very active in a full range of public service pursuits, and in fact demonstrate a higher proportion of involvement in community service and public administration jobs such as teaching, social work, health care delivery, and community administration. Many of these positions, however, are relatively low paying and often subject to discretionary funding available from government for special community-related projects. There is considerable opportunity and scope for natives to be more fully active in public service - especially at the provincial and federal levels. Educational, cultural, and accessibility barriers need to be overcome in order to achieve more full and complete representation of natives in the broad range of professional and non-professional careers available in the public service.

As native people re-establish self-government, there will be opportunities for native involvement in a wide range of public or community services, ranging from native education to involvement in native government, provision of social and community services, and related support services, including native consulting. This will be reinforced as native people continue to close the gap with non-natives in educational attainment, and as government and private sector employment equity policies and strategies take effect.

SERVICES TO GOVERNMENT

There is also scope for natives to play a more active role in the provision of goods and services to government through appropriate procurement policies and activities. Examples may range from provision of office maintenance and cleaning services to the design and construction of furniture, the provision of art and decorations, and similar services and activities for the on-going operations and activities of numerous government agencies at the local, provincial and federal levels.

VI Economic Programs

There are at least 117 discrete economic and/or employment business development programs offered by 8 federal and 12 provincial departments, ministries or agencies. These include a number of programs which are "universal" in nature, i.e. are available to any eligible resident of Ontario, whether native or non-native. A few of these universal programs have special native components which provide for special targeting of support to particular native clientele or constituents. The remainder are native-specific programs, the majority focusing on status Indians (especially those living on-reserve) and a few catering to other native groups.

These programs provide a range of services, including financial, technical and advisory support to native individuals, enterprises and/or communities to assist in either improving community conditions for economic development or directly starting-up or operating native businesses and/or employment initiatives.

The federal and provincial government programs are complemented by a number of native and private-sector programs, services and related initiatives aimed at meeting the economic and business development needs of native entrepreneurs and their communities. Although there are numerous non-profit native and private sector services organized at the local level (e.g. band economic development committees and local community service organizations such as Chambers of Commerce), there are more than a dozen major innovative native and private sector programs which provide business development, advisory and advocacy services specifically related to native needs and priorities.

A review and analysis of existing government, native and private sector programs reveals the following major themes and trends:

- The existing programs and services cover an extensive range of sectors and activities, and constitute an important base for native people to gain access to the information, advice and financial support required for successful economic development. In many cases, funds and technical support are already available, and the major challenge is for native people to improve their access to, and participation in, existing programs.

- Although the provincial government has more economic development programs available in Ontario (78) than the federal government (40), the vast majority of provincial programs (90%) are universal in nature, i.e. are not targeted exclusively to the unique needs of native people. Two-thirds of the native-specific programs (17 out of 25) offered by the federal and provincial governments combined are delivered by the federal government. However, the majority of these are devoted to status Indians - especially those living on-reserve.

- Although the universal and native-specific programs are available in most regions of the province, there are few special delivery and/or targeting mechanisms which enhance delivery to areas and regions where native populations are most concentrated, i.e. the north, rural and remote areas. Special outreach programs such as extension services are extremely limited, with the notable exception of federal programs catering directly to status Indians living on-reserve.

- With a few notable exceptions such as agriculture, fisheries and, to a very limited extent, mining, most of the programs are general in nature and do not provide specialized services and support to particular economic sectors such as arts and crafts, processing and manufacturing, tourism, recreation and outfitting, and the services sector (the latter of which accounts for 75% of native employment). Virtually none of the sector-specific or other specialized programs cater to the unique needs and circumstances of native people.

- With the exception of short-term job creation programs, services for native women and native youth are inadequate, and do not reflect the severity of the economic and employment challenges facing these groups.

- With the major notable exceptions of job creation and employment equity strategies catering to natives in general, there are no significant programs catering directly to the unique needs of Métis, non-status Indians and/or Inuit. In addition, there are no specific strategies or delivery mechanisms catering to the special needs of native peoples living in major urban centres, despite the fact that 30% of the native people in Ontario are concentrated in 7 major metropolitan centres.

- Consultations with more than 80 native entrepreneurs, community leaders and represntatives of native associations identifies the lack of knowledge and awareness of available programs as a major problem. This may be the single largest factor contributing to poor overall take-up of, and participation in, available federal and provincial programs.

- In a similar fashion, the consultations with native people revealed an overall perception (based upon experience in many cases) of major bureaucratic and institutional barriers facing native people seeking to participate in available programs. Excessive and unnecessary information, reporting and other "paper work" requirements and overly rigid eligibility criteria are seen to severely restrict native participation in existing programs. In many cases, eligibility criteria (especially for financial assistance) are based largely upon "financial viability" measured in terms more meaningful to mainstream economies. Although many native people consulted argued that they do not seek "hand-outs", they also indicated that financial expectations coupled with socio-economic and other community concerns needed to reflect native values and priorities.

- Although data on program resources and related expenditures are sparse, inconsistent and inadequate, there is an overall perception that the financial and person-year resources attached to, and earmarked for, native economic development are inadequate in light of the needs and opportunities facing native people. With the exception of native-specific programs and program components, the federal and provincial governments do not specifically and formally plan for and monitor native participation and take-up in economic development programs. At neither the federal nor the provincial levels is there at present an overall budget allocation and priority-setting process to coordinate program efforts of all existing programs and agencies.

- The overall mix and emphasis of available federal and provincial programs does not seem to reflect the needs and opportunities of native people, either in terms of specific services required or major sectors and specific economic opportunities.

- With a few significant exceptions, many of the federal and provincial programs are oriented toward either general community development, job training and placement of "assistance of last resort". Very few are specifically designed for and cater to capacity-building needs. The latter requires an emphasis on the development and transfer of skills, physical capacity, institutional capacity, and assumption of responsibility on the part of native people for their own economic development and future.

- With the exception of the few sector-specific programs, the majority of existing programs are focused on either individuals (i.e. workers) or on the community at large. There is an insufficient number of programs catering to the needs of native enterprises and entrepreneurs - either in a start-up, business expansion, business modernization, business improvement or on-going operation (i.e. cashflow management, marketing, etc.) mode. The few programs which do target native entrepreneurs do little to encourage new entrepreneurs or community-based entrepreneurship.

- There is insufficient provision for native control over, direction of, and participation in the design and delivery of existing programs. The major notable exceptions, of course, are the native-owned and/or controlled economic development institutions and related programs. These, however, are merely the tip of the iceberg in terms of the overall volume of program resources available.

- With the exception of general commercial services offered to native and non-native businesses alike (e.g. commercial banks, management consulting services, etc.), and with the exception of the few native-specific private sector non-profit programs in existence, there is an overall inadequate involvement of major private sector interests in supporting native economic development.

- Many programs fail to enhance community-based careers, thereby allowing community cohesion to erode.

The charts which follow provide a summary of available federal, provincial, native and private sector programs and services for native economic development in Ontario. The charts highlight the major attributes of each program or program component, agency by agency, indicating the following information:

- **scope**: the primary target audience of the program, namely:
    - universal (available to all residents of Ontario), include general programs as well as programs with specific native components which attempt to target support to native peoples
    - native-specific, i.e. programs catering specifically and exclusively to native groups, including those dedicated to status Indians on and/or off-reserve, non-status Indians, Métis and Inuit.
- **shared delivery**: where applicable, the existence of special delivery and/or coordinating mechanisms for joint participation, funding and/or delivery by more than one federal and/or provincial and/or native and/or private entity
- **service**: specific kind of service(s) offered through the program
- **sector**: i.e. particular economic and/or functional sector to which the program is catered, if any

- **eligibility**: i.e. particular sub-groups for whom special eligibility criteria target available program resources

- **estimated native take-up**: the estimated level of native participation in the program, taking into account not absolute numbers of participants, but rather the relative participation of natives reflecting available program funds as well as level of native needs and opportunities in a given sector, region or service area

NOTE: On the charts which follow, the following codes are used for the column indicating the SCOPE of the program:

Universal Programs

GEN = General (i.e. no specific native component)
NC = Native Component

Native-Specific Programs

ON = Status Indians On-Reserve
OFF = Status Indians Off Reserve
NON = Non-Status Indians
MET = Métis
INU = Inuit

FEDERAL ECONOMIC PROGRAMS

AGENCY	PROGRAM	SCOPE							Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
		Universal		Native-Specific									
		GEN	*NC*	*ON*	*OFF*	*NON*	*MET*	*INU* *					
Indian and Northern Affairs Canada (INAC)	Indian Economic Development Fund			x	x				Band Councils, Development Corporations	Loans, grants, guarantees, advice	General/any	Bands, individuals, groups	High
	Employment Opportunities			x					N/A	Funds Band development offices, small businesses	General/job creation/small business	Bands	High
	Indian Management Assistance Program			x	x				N/A	Summer placements/advice	General/skills development	Students, Bands Tribal Councils	Medium
	Employability Program			x	x				N/A	On-the-job training/ mobility assistance	Skills development	Individuals	High
	Indian Community Human Resource Strategies			x	x				N/A	Assists in access of EIC/ training	Skills development/ job creation	Individuals, Bands, communities, groups	High
	Mineral Resource Directorate			x					N/A	Mineral assessment and negotiation	Mining	Bands	Medium
	Indian/Inuit Management Development Program			x	x				N/A	Establishment of training programs/loans and grants	Skills development/ business	Individuals, Bands, organizations, educational institutions	High
	Indian Youth Entrepreneurship Projects			x	x				Indian Development Corporations, Indian training institutes, Federal Business Development Bank	Business start-up capital and advice	Small business/ skills job creation	Youth entrepreneurs	New program

* GEN = General, NC = Native Component, ON - Status Indians On-Reserve, OFF - Status Indians Off-Reserve, NON - Non-Status Indians, MET - Métis, INU - Inuit

FEDERAL ECONOMIC PROGRAMS (cont'd)

AGENCY	PROGRAM	SCOPE: Universal GEN	SCOPE: Universal NC	SCOPE: Native-Specific ON	SCOPE: Native-Specific OFF	SCOPE: Native-Specific NON	SCOPE: Native-Specific MET	SCOPE: Native-Specific INU	Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
Department of Regional Industrial Expansion (DRIE)	Native Economic Development Program: Aboriginal Economic and Financial Institutions			x	x	x	x	x	Advisory Council	Capital/core funding	Financial institutions	Economic and financial institutions	Low
	NEDP: Community-Based Economic Development			x	x	x	x	x	Advisory Council	Capital/core funding	Community/ business/ industry	Communities, Bands, groups	Low
	NEDP: Special Projects			x	x	x	x	x	Advisory Council	Funds studies, research, enterprises, innovative projects	Research and development	Indivduals, groups, Bands, organizations	Low
	Special Agricultural and Rural Development Act			x	x	x	x	x	3 provinces 2 territories	Capital/project advice/training/ counselling	Business/ primary production/ skills development	Employers, groups, communities	High
Employment and Immigration Canada (EIC)	The Canadian Jobs Strategy: Job Development	x	x						Provinces	Wage subsidies, capital and training grants	Job creation/ skills development/ any	Band Councils, associations, non-profit groups, employers	Medium
	The Canadian Jobs Strategy: Job Entry (includes Native Internship Program)	x	x						Provinces	Work experience, training	Skills development	Youth, women	Medium
	The Canadian Jobs Strategy: Innovations		x						Provinces	Grants for pilot and demonstration projects	Job creation	Groups, organizations, Bands	Medium
	The Canadian Jobs Strategy: Community Futures		x						Provinces	Resources for self-help initiatives and enterprises	Job creation	Groups, communities, associations	Low

FEDERAL ECONOMIC PROGRAMS (cont'd)

AGENCY	PROGRAM	SCOPE							Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
		Universal		Native-Specific									
		GEN	NC	ON	OFF	NON	MET	INU					
Employment and Immigration Canada (cont'd)	The Canadian Jobs Strategy: Skills Development		x						Provinces	Finances re-training efforts	Skills development	Employers, employees, unions, associations	Low
	The Canadian Jobs Strategy: Skill Shortages		x						Provinces	Finances training in designated skills	Skills development	Employers	Medium
	Outreach		x						Provinces, municipalities, community groups	Information and access assistance to employment services	Skills development	Unemployed	High
	Employment Equity Program		x						N/A	Promotes hiring of target groups	Employment development	Disabled, women, visible minorities, aboriginal people	Medium
Federal Business Development Bank (FBDB)	Financial Services	x							N/A	Loans, guarantees, equity financing	Small business	Small businesses	Low
	Investment Banking	x							Private sector	Catalyst for attracting equity financing	Industry	Established businesses	Low
	Financial Planning Program	x							N/A	Planning information, intermediation	Small business	Business owners	Low
	Counselling Assistance to Small Enterprises	x	x						Native Community Branch, Ontario Ministry of Citizenship and Culture	Business advice	Small business	Entrepreneurs	Medium

FEDERAL ECONOMIC PROGRAMS (cont'd)

AGENCY	PROGRAM	SCOPE							Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
		Universal		Native-Specific									
		GEN	NC	ON	OFF	NON	MET	INU					
Federal Business Development Bank (cont'd)	Training	x							Professional associations, provincial ministries of education	Seminars and courses	Small business	Small business owners	Low
	Small Business Information Service	x							N/A	Information and publications	Small business	Small business operators	Low
Agriculture Canada	Canadian Agricultural Market Development Initiatives	x							N/A	Finances marketing of new or improved products	Agriculture	Organizations	Low
	Cooperative Marketing Act	x							N/A	Guarantee of initial crop payment	Agriculture	Cooperatives, processors, associations	Low
	Advance Payments for Crops Act	x							N/A	Advance payments for stored products	Agriculture	Producers, producer organizations	Low
	New Crop Development Fund	x							N/A	Finances demonstration projects	Agriculture	Universities, non-profit groups, provincial agencies, companies	Low
	Farm Improvement Loans	x							N/A	Guarantees bank loans	Agriculture	Full-time farmers	Low
	Canadian Forestry Service	x							Provinces	Forest management services	Forestry	Provincial forestry ministries	Low
	Canada-Ontario Forest Resource Development Agreement: Indian Lands Program			x					N/A	Funds projects developing reserve forests	Forestry	Bands on reserves	Medium

FEDERAL ECONOMIC PROGRAMS (cont'd)

AGENCY	PROGRAM	SCOPE Universal GEN	NC	Native-Specific ON	OFF	NON	MST	INU	Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
Fisheries and Oceans	Regional offices	x							N/A	Technical and marketing advice	Fishing	Open	Low
	Fisheries Improvement Loans Act	x							N/A	Guarantees loans	Fishing	Fishing Entrepreneurs	Low
	Small Craft Harbours	x							N/A	Grants toward facility development	Tourism	Open	Low
Farm Credit Corporation	Farm Credit Act	x							N/A	Long-term mortgage credit for farm businesses	Agriculture	Farmers, groups of farmers, cooperatives	Medium
	Farm Syndicates Credit Act	x							N/A	Loans for machinery, building, equipment purchase	Agriculture	Groups or syndicates of farmers	Low
Public Service Commission	Indigenous Participation Program: Office of Native Employment			x	x	x	x	x	N/A	Pre-employment counselling, candidate inventory	Employment development	Individuals	High
	Indigenous Participation Program: National Indigenous Development Program			x	x	x	x	x	Other federal departments	Develops and administers training positions	Skills development, job creation	Individuals	Medium
	Indigenous Participation Program: Northern Careers Program			x	x	x	x	x	Other federal departments	Develops and administers training positions	Skills development, employment	Individuals from geographic areas north of 60°	Medium

PROVINCIAL ECONOMIC PROGRAMS

AGENCY	PROGRAM	SCOPE											
		Universal		Native-Specific									
		GEN	NC	ON	OFF	NON	MET	INU	Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
Ministry of Citizenship and Culture (MCC)	Ontario Native Economic Support Program: Studies			x	x	x	x	x	N/A	Funds feasibility studies	General development/ business	Communities, incorporated groups, Band Councils, non-profit groups	High
	Ontario Native Economic Support Program: Facilities			x	x	x	x	x	N/A	Funds renovations and development of facilities	General development	Communities, incorporated groups, Band Councils, non-profit groups	High
	Ontario Native Economic Support Program: Economic			x	x	x	x	x	N/A	Funds projects which stimulate economic growth	Business/ skills development	Communities, incorporated groups, Band Councils, non-profit groups	High
	Transfer Payments Program: Small Business Program			x	x	x	x	x	N/A	Funds viability studies and start-up of small business	General development/ small business	Communities, organizations	High
	Native Community Branch Consultative Assistance			x	x	x	x	x	N/A	Consultation and advice on community development	General development	Communities, organizations, leaders	High
	Ontario Arts Council	x							N/A	Grants to artists	Arts and crafts	Individual organizations	Medium
	Arts Organization Grants	x	x						N/A	Core funding for arts support groups	Performing and visual arts	Organizations	Medium
	Ontario Community Literacy Grants	x	x						N/A	Grants for adult basic literacy projects	Skills development	Non-profit organizations	Medium
	Ontario Heritage Foundation	x							N/A	Grants in support of heritage preservation	Tourism, general	Organizations and individuals	Low

PROVINCIAL ECONOMIC PROGRAMS (cont'd)

AGENCY	PROGRAM	SCOPE Universal		SCOPE Native-Specific					Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
		GEN	NC	ON	OFF	NON	MET	INU					
Ministry of Natural Resources (MNR)	Canada-Ontario Resource Development Agreement			x					INAC, Canada-Native organizations	Funds utilization of natural resources through programs	Primary production/ recreation/ manufacturing	Individuals groups, Bands	High
	Commercial Fish Management	x							N/A	Administers licencing and quotas, market liaising	Fishing	Individuals, Bands	Medium
	Fisheries Industrial Development	x	x						N/A	Facilitates commercial ventures through research	Fishing	Cooperatives, communities, Bands	High
	Freight Equalization Assistance Program	x	x						N/A	Subsidizes northern transportation costs	Fishing	Northwestern fishing entrepreneurs	High
	Forest Management Agreements	x							Forest companies	Contractual arrangement for harvesting and regeneration of forests	Forestry	Established forestry companies	Low
	Timber Licencing Agreements	x							N/A	Permits harvesting in specific areas, funds seedling growth	Forestry	Individuals, small companies	Medium
	Parks and Recreational Areas Branch	x							N/A	Develops and manages provincial parks, allows native resort development	Tourism, Recreation	Specific Bands	Low

PROVINCIAL ECONOMIC PROGRAMS (cont'd)

AGENCY	PROGRAM	SCOPE							Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
		Universal		Native-Specific									
		GEN	NC	ON	OFF	NON	MET	INU					
Ministry of Northern Development and Mines	NOR-DEV: Employment Incentives	x							N/A	Forgivable loans to small businesses for establishment or expansion	Small business/any	Northern entrepreneurs	Low
	NOR-DEV: Industrial Infrastructure	x							Northern Ontario Development Corporation	Assists in removing physical constraints to development	Primary production/ manufacturing/ industry	Northern private developers, municipalities, Bands	Low
	NOR-DEV: Resource Diversification	x							Ministry of Natural Resources	Funds investment studies for resource development	Primary production/ manufacturing	Northern individuals, corporations, groups	Low
	NOR-DEV: Tourism Development	x							Ministry of Tourism and Recreation	Funds planning and feasibility studies and facility marketing	Tourism	Northern individuals, groups, organizations	Medium
	Northern Community Economic Development Program	x							N/A	Funds studies, seminars, publications, consultants for development	General	Northern communities, groups	Low
	Winter Roads Diversification	x	x						Federal Transfer Funds/Ontario Northern Transportation Commission	Funds up-keep of roads in remote north during mid-winter	Transportation	Remote northern communities and reserves	Medium
	Remote Airport Development and Maintenance Programs: Planning	x	x						Ministry of Transportation and Communications	Consults regarding and plans northern airports	Transportation	Remote northern communities and reserves	Medium

PROVINCIAL ECONOMIC PROGRAMS (cont'd)

AGENCY	PROGRAM	SCOPE							Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
		Universal		Native-Specific									
		GEN	NC	ON	OFF	NON	MET	INU					
Ministry of Northern Development and Mines (cont'd)	Remote Airport Development and Maintenance Programs: Construction	x	x						Ministry of Transportation and Communications	Funds construction and local training and hiring for airport development	Transportation/skills development/ job creation	Remote northern communities, reserves and individuals	Medium
	Wild Rice Research	x	x						Lakehead University assesses lake potential	Researches wild rice growth and	Agriculture	Bands	Medium
	Agri-North: Land Development	x							Ministry of Agriculture and Food	Grants toward costs of land drainage and clearing	Agriculture	Northern farmers	Low
	Agri-North: New Technology Demonstration	x							Ministry of Agriculture and Food	Grants toward costs of testing and demonstration projects	Agriculture	Northern individuals groups, institutions	Low
	Agri-North: Market Development	x							Ministry of Agriculture and Food	Grants for studies and marketing	Agriculture	Northern farm organizations, commodity groups, consortiums	Low
	Agri-North: Grain Production Development	x							Ministry of Agriculture and Food	Grants toward costs of storage and handling equipment	Agriculture	Northern, seed, grain, and oilseed farmers	Low
	Agri-North: Forage Production Development	x							Ministry of Agriculture and Food	Grants toward cost of forage facilities	Agriculture	Northern forage producers	Low

PROVINCIAL ECONOMIC PROGRAMS (cont'd)

AGENCY	PROGRAM	SCOPE Universal		SCOPE Native-Specific					Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
		GEN	NC	ON	OFF	NON	MET	INU					
Ministry of Northern Development and Mines (cont'd)	Agri-North: District Development Initiatives	x							Ministry of Agriculture and Food, District Agricultural Development Committees	Incentive fund for district-based initiatives	Agriculture	Northern farmers	Low
Ministry of Skills Development	Futures	x	x						Private Employers/ Native Community Branch, MCC	On-the-job training, designated positions for natives	Skills development	Employment of disadvantaged youth (16-24), native youth	High
	Youth Employment Counselling Services	x	x						Community agencies/ Bands	Funds centres assisting youth in job-readiness and job finding	Skills development/ job creation	Employment-disadvantaged youth, native youth	High
	Summer Experience	x	x						Several provincial ministries	Provides summer employment in government and related organizations	Skills development/ job creation	Students, native students	High
	Start-Up: Youth Venture Capital	x							Royal Bank/ Ministry of Industry, Trade and Technology	Interest-free loans for business establishment	Small business	18-24 years and out of school, 25-29 years having recently graduated	Medium
	Start-Up: Student Venture Capital	x							Royal Bank/ Chambers of Commerce	Interest-free loans for summer business establishment	Small business/ skills development	Over 15 years and returning to full-time school	Low
	Ontario's Training Strategy: Ontario Skills	x							N/A	Finances employer-based training in management, literacy, numeracy	Skills development/ small business	Small and medium size businesses	New Program

PROVINCIAL ECONOMIC PROGRAMS (cont'd)

AGENCY	PROGRAM	SCOPE							Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
		Universal		Native-Specific									
		GEN	*NC*	*ON*	*OFF*	*NON*	*MET*	*INU*					
Ministry of Skills Development (cont'd)	Ontario's Training Strategy: Trades Updating	x							Colleges of Applied Arts and Technology	Funds participation in short-term skills courses, assists in related expenses	Skills development	Skilled tradespeople	New Program
	Ontario's Training Strategy: Training Access - Ontario Basic Skills	x							Community groups, social agencies, colleges, unions, employer associations	Funds programs aimed at improving literacy and numeracy	Skills development, education	Individuals, labour groups	New Program
	Ontario's Training Strategy: Training Access - Allowances	x							N/A	Assists with expenses related to participation in skills development programs	Skills development	Participants in MSD programs, especially in Ontario Basic Skills, and northern areas	New Program
	Ontario's Training Strategy: Training Access - Information	x							N/A	Promotes benefits of training by information, Training Hotline	Skills development	Employers, open	New Program
	Ontario's Training Strategy: Training Access - Special Projects	x	x						N/A	Funds development of innovative and special needs training related expenses initiatives	Skills development	Women, disabled, native people	New Program
	Ontario's Training Strategy: Institute for Skills Training - Train the Trainers	x							Steering Committee of business, labour, educators	Will coordinate professional development of training instructors and consultants	Skills development	Training instructors and Consultants	New Program

PROVINCIAL ECONOMIC PROGRAMS (cont'd)

AGENCY	PROGRAM	SCOPE							Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
		Universal		Native-Specific									
		GEN	NC	ON	OFF	NON	MET	INU					
Ministry of Skills Development (cont'd)	Ontario's Training Strategy: Institute for Skills Development - Skills Bank	x							Steering Committee of business, labour, educators	Will maintain inventory of and need for training materials	Skills development	Employers, training institutions	New Program
	Ontario's Training Strategy: Institute for Skills Development - Skills Technology Fund	x							Steering Committee of business, labour, educators	Will assist in developing high technology training materials	Skills development	Groups, native groups, institutions	New Program
Ministry of Agriculture and Food	Agricultural Field Offices	x							N/A	Technical, management, program access advice	Agriculture	Farmers, Bands	Low
	Farm Operating Credit Assistance Program	x							N/A	Interest reduction grants, loan guarantees	Agriculture	Farmers with annual production value greater than $12,000	Low
	Ontario Farm Adjustment Assistance Program	x							N/A	Interest-deferral guarantees, guarantee renewals	Agriculture	Farmers with annual production value greater than $12,000, experiencing operating cost difficulty	Low
	Ontario Family Farm Interest Rate Reduction Program	x							N/A	Grants for interest reduction	Agriculture	Farmers (see Appendix D: Economic Programs)	Low
	Ontario Beginning Farmer Assistance Program	x							N/A	Rebates of interest charges on loans	Agriculture	Beginning farmers	Low
	Ontario Young Farmer Credit Program	x							N/A	Term credit for lender guaranteed loans	Agriculture	Farmers aged 18-35 years	Low

PROVINCIAL ECONOMIC PROGRAMS (cont'd)

		SCOPE											
		Universal		Native-Specific									
AGENCY	PROGRAM	GEN	NC	ON	OFF	NON	MET	INU	Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
Ministry of Agriculture and Food (cont'd)	Ontario Tender Fruit for Processing and Tree Planting Assistance Program	x							N/A	Rebates on cost of trees for new planting or "gap fill in"	Agriculture	Clingstone peach, Bartlett pear farmers	Low
	Soil Conservation and Environmental Protection Assistance Program	x							N/A	Grants toward costs of erosion control and manure storage projects	Agriculture	Individuals, partnerships, corporations	Low
	Ontario Storage and Packing Assistance Program for Fruit and Vegetables	x							N/A	Grants toward costs of storage and packing facilities	Agriculture	Fruit and Vegetable Growers and packers with earnings over $8,000	Low
	Ontario Seasonal Housing Assistance Program	x							Ministry of Health	Grants toward costs of seasonal housing for workers	Agriculture	Farmers with production over $8,000 annually	Low
	Tile Drainage Act	x							N/A	Low interest loans for tile drainage installation	Agriculture	Individuals, partnerships, corporations	Low
	Northern Ontario Livestock Transportation Assistance Policy	x							N/A	Grants toward transportation costs for out-of-district livestock	Agriculture	Northern livestock producers	Low
	Livestock Improvement Program for Northern Ontario	x							N/A	Grants toward purchase of livestock within Ontario	Agriculture	Northern livestock producers	Low

PROVINCIAL ECONOMIC PROGRAMS (cont'd)

AGENCY	PROGRAM	SCOPE							Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
		Universal		Native-Specific									
		GEN	NC	ON	OFF	NON	MET	INU					
Ministry of Transportation and Communications	Remote Airport Development and Maintenance Programs: Operation and Maintenance	x	x						Ministry of Northern Development and Mines	Hires and trains airport personnel	Transportation/skills development/ job creation	Remote community and Band members	High
	Municipal Roads	x	x						Municipalities, reserves	Grants toward costs of roads and bridges	Transportation/general development	Reserves, municipalities, northern communities	High
Ministry of Industry, Trade, and Technology	Ontario Development Corporation	x							Various ministries and agencies	Advice, loans, guarantees, export support lines of credit	Business/ tourism/ manufacturing	Individuals, corporations	Low
	Northern Ontario Development Corporation	x							Various ministries and agencies	Advice, loans, guarantees, export support lines of credit	Business/ tourism/ manufacturing	Northern individuals, corporations	Low
	Eastern Ontario Development Corporation	x							Various ministries and agencies	Advice, loans, guarantees, export support lines of credit	Business/ tourism/ manufacturing	Eastern individuals, corporations	Low
	New Ventures Program	x							1600 Branches of participating financial institutions	5-year loans on a cash equity basis	Small business	Entrepreneurs, businesses other than professional practices and farms	Low
	Export Success Fund	x							N/A	Grants in support of export marketing activity	Manufacturing/ general development	Manufacturers, trading houses, marketing consortia, engineers, etc.	Low
	Innovation Ontario Corporation	x							N/A	Financial and related development support for technology-based enterprises	Technology-based industry industry	Early-stage businesses, entrepreneurs	Low

PROVINCIAL ECONOMIC PROGRAMS (cont'd)

AGENCY	PROGRAM	SCOPE							Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
		Universal		Native-Specific									
		GEN	*NC*	*ON*	*OFF*	*NON*	*MET*	*INU*					
Ministry of Tourism and Recreation	Canada-Ontario Tourism Development Program: Studies	x							Federal government	Grants toward costs of consultant feasibility and planning studies	Tourism	Individuals, groups, legal bodies, associations	Low
	Canada-Ontario Tourism Development Program: Product Development	x							Federal government	Grants to stimulate private sector investment in resorts and attractions	Tourism	Individuals, groups, legal bodies, associations	Low
	Canada-Ontario Tourism Development Program: Marketing	x							Federal government	Grants toward, costs of marketing and promotion of facilities assisted under above program	Tourism	Individuals, groups, legal bodies, associations	Low
	Canada-Ontario Tourism Development Program: Visitor Services	x							Federal government	Grants to develop travel guide services and package tours	Tourism	Individuals, groups, legal bodies, associations	Low
	Capital Construction Assistance Program for Northern Ontario	x							Northern Ontario Development Corporation	Loans for renovation, expansion, or new tourist developments	Tourism/ small business	Northern entrepreneurs	Low
	Working Capital Assistance program for Northern Ontario	x							Northern Ontario Development Corporation	Loans for short-term financing of working capital	Tourism/ general development	Northern entrepreneurs and communities	Low
	Large Scale Tourism Program	x							Northern Ontario Development Corporation	Funds development of attractions, destination facilities, and infrastructure	Tourism/ general development	Major northern public and private projects	Low

PROVINCIAL ECONOMIC PROGRAMS (cont'd)

AGENCY	PROGRAM	SCOPE Universal GEN	SCOPE Universal NC	SCOPE Native-Specific ON	SCOPE Native-Specific OFF	SCOPE Native-Specific NON	SCOPE Native-Specific MET	SCOPE Native-Specific INU	Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
Ministry of Tourism and Recreation (cont'd)	Northern Ontario Tourism Marketing Program	x							N/A	Marketing and Marketing advice	Tourism	Northern tourism operators	New Program
Ministry of the Solicitor General	Indian Constable Program			x					Federal government/ Ontario provincial police commissioners	Provides for policing services on 65 reserves, trains native constables	Skills development/ job creation	Native individuals usually Band members	Medium
Ontario Women's Directorate	Information and Referral Services	x	x						N/A	Administrative and economic advice	Skills development	Individuals, organizations (women)	Medium
	Community Grants Program	x	x						N/A	Grants for innovative projects such as conferences	Employment development/ business/any	Individuals, organizations (women)	Medium
Ministry of Colleges and Universities	College and University Courses	x	x	x	x	x	x	x	Various ministries and agencies	Courses ranging from law to carpentry to computer operations	All	Individuals, groups	High
Ministry of Treasury and Economics	Canada-Ontario Economic and Regional Development Agreement	x							Various federal and provincial ministries	Facilitates and coordinates general development through meetings, sub-agreements and Memoranda of Understanding	All	Regions of Ontario	Low

NATIVE AND PRIVATE PROGRAMS

AGENCY/PROGRAM	SCOPE Universal GEN	 NC	 Native-Specific ON	 OFF	 NON	 MET	 INU	Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
Indian Forestry Development Program			x					Indian and Northern Affairs Canada/ Ministry of Natural Resources	Reserve land forestry management planning, training, tree planting and tending	Forestry	Bands in Treaty 3 area	Medium
Ontario Indian Economic Development Board			x	x				N/A	Advice and recommendations regarding economic development programs and services	General development	Government department, ministries, agencies	N/A
Association of Reserves for Improving Social Economics			x					N/A	Business advice and extension loans	Business/ general development	London area Bands	High
Project Northtalk			x	x	x	x	x	Advisory Board	Promotes network amongst entrepreneurs	Business/ general development	Northwestern native and non-native entrepreneurs	Medium
Ontario Métis and Non-Status Indian Association Development Corporation					x	x		N/A	Business ventures, advice, loans, guarantees, access to government programs	Business/ general development/ skills development	Métis and Non-Status Indian entrepreneurs	Medium
Indian Agricultural Program of Ontario			x	x				Indian and Northern Affairs Canada	Technical and management information, financial planning	Agriculture	Membership-based, bands	Medium
National Indian Arts and Crafts Corporation			x	x	x	x	x	Provincial and Territorial Arts and Crafts Corporations	Representation of craftspeople and artists, National Business Referral Service	Arts and crafts/ business	Native craftspeople, artists, organizations	Medium

NATIVE AND PRIVATE PROGRAMS (cont'd)

AGENCY/PROGRAM	SCOPE Universal		SCOPE Native-Specific					Shared Delivery	Service	Sector	Eligibility	Estimated Native Take-up
	GEN	NC	ON	OFF	NON	MET	INU					
Northern Hides Incorporated			x	x	x	x	x	National Indian Arts and Crafts Corporation, Ministry of Natural Resources	Markets and distributes deer and moose hides collected under MNR program	Arts and crafts	Native crafts-people, groups	High
Canadian Council for Native Business			x	x	x	x	x	N/A	Advice, promotion of private sector involvement	Business	Native and non-native business people	Medium
Mohawk Development Corporation Akwesasne			x					N/A	Facilitates development by equity holding for business and various sectoral initiatives	General development/ business	Akwesasne Band members	High
Lakehead University Consulting Services			x	x	x	x	x	N/A	Educational and Consulting	General development	Native individuals, groups, government	Medium
Canadian Executive Service Organization			x	x	x	x	x	INAC/Native Community Branch, MCC	Consulting, technical and management advice	Any	Bands, groups, individuals	High
Nishnawbe-Aski Development Fund			x	x				Commercial banks	Financial assistance and technical advice	General development/ business/job creation	Individuals and groups of the Nishnawbe-Aski Nation	High (new program)

VII Constraints to Development

INTRODUCTION

Despite the many inherent qualities, capabilities and resources available to native people for economic development, and despite the existence of a wide range of government and private-sector programs available to support native economic development, there are nonetheless serious constraints to development facing native people. These constraints include socio-economic, financial, legal, cultural and other obstacles and impediments which continue to stand in the way of successful economic development. Initiatives aimed at improving personal and business opportunities by and for native people will not be successful unless they directly tackle these constraints to development.

While the various factors and constraints do not apply universally to all native individuals or communities, they are nonetheless common to the general native population in Ontario. The most notable constraints are in the following areas:

- educational attainment
- skills and business experience
- access to investment capital
- access to labour markets
- access to commodity markets
- adequacy of community and commercial infrastructure
- access to natural resources
- availability of industrial and commercial technology
- native politics
- inadequacies of government and private sector program design and delivery

Although there is no typical aboriginal business, there are many common characteristics and conditions facing aboriginal communities and businesses which present barriers and obstacles to successful economic and business development. These obstacles and barriers have frequently restricted and/or impeded aboriginal entrepreneurs and community leaders in successfully exploiting available development and business opportunities within the aboriginal community or in the mainstream economy.

1. *Formal Education*

As outlined in Chapter IV Socio-Economic and Business Profile, native people in Ontario have significantly lower levels of formal education than non-natives. The correlation with lower levels of employment and income is clearly evident.

2. *Life Skills and Business Experience*

Lack of formal education is only part of the problem for most native people. (Indeed, the quality and type of formal education offered to natives are sometimes at the root of economic problems.) Ontario, and Canada as a whole, abound with examples of persons without extensive formal education who have both succeeded, prospered and become role models in their community. What these people have acquired are survival skills or what are commonly called "street smarts". Sophisticated analysts refer to these skills as "operacy" as opposed to "literacy" and "numeracy".

Native people, especially status Indians on-reserve have in the past been educated to be dependent, and/or to reject their traditional culture and lifestyle. They have also tended to be trained for particular jobs which may or may not exist, or for occupations in which opportunities may or may not exist.

Whereas historically native people in this country have been extremely resourceful in surviving and thriving in a hostile environment, many of these survival skills have been denigrated as "uncivilized" behaviour. The mentality which it takes to survive in a natural environment is not significantly different from the survival mentality required in a modern environment. It involves extensive knowledge of the environment and adapting ones lifestyle to environmental cycles, whether they be "natural" or "industrial".

The problem is that native people have not been encouraged and supported in developing and applying basic life skills to the conventional entrepreneurial world. Lack of business experience often stands in the way of access to investment or operating capital, and often prohibits non-native business people from getting involved in joint business ventures.

3. *Isolation from Major Markets*

It is believed that the majority of aboriginal-owned and/or managed businesses are primarily oriented towards servicing aboriginal markets in rural and remote areas, where markets are modest and costly to adequately service. Moreover most native communities themselves are very modest in size, and are of insufficient "threshold size" to sustain anything other than modest local enterprises such as small retail outlets, and "low-order" manufacture. The size of the local community and external markets within the locale or region of most native concentrations is relatively modest, and can only support smaller-scale enterprises. More specialized goods and services requiring larger-scale operations to be commercially-viable are often provided by larger enterprises owned and controlled by other Canadians.

4. *Lack of Track Record*

Many aboriginal businesses are in a fledgling stage of development, and do not yet enjoy fully-established working relationships with support services (e.g. banks and other financial services, accountants, lawyers, business advisory services, etc.), suppliers and co-venturers and investors. As a result, they often experience difficulty in securing necessary services, goods, materials and labour to expand and to compete effectively with other non-aboriginal businesses within their respective market areas. As in the case of non-aboriginal businesses in similar circumstances, financial institutions are generally risk-averse in making services available to such fledgling enterprises (especially if the enterprises also do not have sufficient levels of capital assets as collateral).

5. *Lack of Capital (Equity)*

Partly as a result of being relative newcomers to the business world, and partly as a result of historic levels of impoverishment within the aboriginal communities, many aboriginal businesses lack the necessary capital (i.e. money) necessary to construct plants, acquire equipment, provide cash advances for payroll and other requirements, and conduct necessary advertising and promotion activities. As a result, many potential worthwhile business ventures are doomed to failure because of lack of adequate capitalization, while others cannot even be pursued for lack of adequate start-up funds. Small-sized businesses (which account for the majority of aboriginal enterprises) are typically viewed as having higher risks than larger firms (even though small businesses have contributed most to economic growth in Canada in recent years). As a result, conventional lenders and investors are reluctant to provide capital at affordable rates to many small aboriginal businesses (just as they would be for non-aboriginal businesses in similar circumstances). They also tend to enter into joint ventures with aboriginal businesses only under special terms and conditions which offer them greater security and reward for risk.

6. *Lack of Business Skills and Experience*

Another obstacle facing aboriginal peoples in their pursuit of successful economic and business development is the lack of skills, training and experience required for the start-up and operation of a wide range of businesses. Although this problem is not unique to the aboriginal population, it is clear that a significantly larger proportion of aboriginal people than non-aboriginals have inadequate business skills and experience. Many would-be aboriginal entrepreneurs do not have sophisticated professional skills, training or business experience in planning, managing and operating businesses. Nor do they have ready access to aboriginal employees with basic literacy and working skills and experience to carry out the working functions of the business.

The situation is further complicated by the inadequate support mechanisms presently available to provide the required training, advice and skill development for employers and employees alike. The absence of the necessary support mechanisms such as business assistance and training development programs is not limited to the smaller and more remote aboriginal communities; many aboriginal people, including status Indians living off-reserve, feel alienated from conventional programs and services available in larger urban centres unless they are organized and delivered through special aboriginal organizations.

7. *Inadequate Community Physical Infrastructure*

Due to their rural and remote location and a history of low levels of investment in community infrastructure, many aboriginal communities lack the basic facilities and amenities required to conduct viable businesses - especially where ready and cheap access to the mainstream markets is a necessity. Inadequate roads and other transportation facilities such as wharves and airports, lack of serviced land, inadequate community water and sewerage facilities, lack of commercial facilities such as offices and retail outlets, poor access to energy sources, and inadequate specialized industrial facilities such as warehouses and assembly plants, all contribute to limited opportunities for industrial and commercial development in many aboriginal communities. As with non-aboriginal communities, a well-maintained infrastructure is an important ingredient for modern and economic and commercial success.

8. *Inadequate Child Care and Other Social Support*

As with many non-native and mixed communities, there is an inadequate network of social support available to native people seeking to participate in the wage economy. The general absence of child care facilities in native communities - as with other less well-developed communities in Ontario - severely restricts opportunities and choice for native men and women to take up jobs and/or operate businesses outside the home. This is particularly severe for native women for several reasons. First, the overall level of financial and social support for child care in native communities is significantly worse than for non-native communities - even in rural and remote areas. Second, native families tend to be larger than non-native families, with heavier family and child-care responsibilities. Third, the significance of female wage-earning is greater in native communities than non-native communities, given the overall lower levels of employment and income for economic families. Access to even part-time wage-paying jobs is particularly significant for native families living well below the poverty line.

9. *Inadequate Business Networking for Native Men and Women*

Although many smaller, more remote and less well-developed communities suffer from poor institutional and informal networking which enables men and women to gain ready access to jobs, finances, business support and other necessary ingredients to economic prosperity, the situation is particularly severe for native people - especially native women. Natives in general, and native women in particular, have not yet developed extensive networks of business contacts - especially in the mainstream economy - which are necessary to economic survival and prosperity. Nor is there sufficient support for the creation and/or operation of appropriate business clearinghouses, referral services and similar institutions to cater to the unique needs of native men and women.

10. *Declining Industries*

Although the problems facing several of Ontario's basic industries (e.g. commercial fisheries, forestry, certain aspects of agriculture and mining) are not unique to the native situation, it is felt that many of these basic sectors are proportionally more significant to native people than to non-natives. This is particularly true in the northern regions of the province where alternative sources of employment are inadequate - especially those requiring higher levels of formal education and/or greater levels of financial equity, business skills, commercial experience, etc. Native participation in certain key sectors will be heavily dependent on the longer-term prospects for these industries which are presently in a state of stagnation or decline.

Unique Barriers and Obstacles

11. *Restrictions on Use of Reserve Assets as Business Loan Collateral*

The problems associated with the lack of capital are exacerbated for Indians living on reserves since the ***Indian Act*** prevents the use of lands or other fixed capital assets on-reserve as collateral for the securing of business or consumer credit. The reason for this is that land and personal properties of Indians on reserves are held in trust by Her Majesty in Right of Canada, and cannot be seized in the event of default on a loan. In addition to specific legal restrictions on the use of reserve lands and fixed improvements as collateral, is the general perception that non-aboriginal businesses cannot enter onto and seize even movable assets (e.g. cars, trucks, or equipment) in the event of foreclosure on mortgages or loans; hence, there is a general reluctance on the part of non-aboriginal institutions to enter into loan or equity service relationships with aboriginal businesses based on reserves. These problems are exacerbated by the general reluctance on the part of Indian people to risk the alienation of their land.

12. *Problems with Surety Bonding and Performance Guarantees*

For similar reasons, Indians living on-reserve have difficulties posting surety bonds and other performance guarantees, often necessary in businesses such as trucking, construction and landscaping.

13. *Lack of Entrepreneurship Orientation*

Since at present, there are few native entrepreneurs, there are few role models for aspiring native entrepreneurs. Furthermore, status Indians on-reserve have been conditioned to dependence on government financing and government development programs. Many government projects which could be self-supporting are "core funded" and thus the native beneficiaries have no appreciation of their true costs. A young educated native may aspire to become a program or project leader rather than becoming an entrepreneur.

14. *Poor Self Esteem & Psychology of Dependence*

For years native people have been discriminated against in many parts of the province. Discrimination is still evident in certain concentrated areas. Negative stereotyping - i.e. depiction of natives as inferior beings has been destructive of native self image. Closely related to this is a psychology of dependence on the part of some native people, reinforced by inappropriate designed government "hand-out" or "controlling" programs, which stifle creative energy and initiative.

15. *Discrimination, Racism and Bias in Business Practices of Existing Institutions*

Whether intentionally or unintentionally, existing financial institutions and other business interests may be prejudiced against aboriginal peoples. As a result, they may tend to avoid making services (e.g. loans) available to aboriginal businesses or may impose more severe restrictions and criteria (e.g. higher interest rates, lower debt to equity ratios, etc.) for aboriginal peoples than for non-aboriginal peoples in similar circumstances. In many cases this prejudice likely reflects the "social distance" that exists between aboriginal peoples and the non-aboriginal financial community. The Canadian financial community simply is not aware of the unique cultural attitudes possessed by many aboriginal people and, similarly, aboriginal people are largely unfamiliar with the business culture that surrounds most Canadian financial institutions. In particular, native people in northwestern Ontario see racism as a major obstacle to overcome. They see this as a major barrier to their participation in the mainstream economy (educational, commercial and public institutions). Provincial encouragement for organizations such as the Canadian Council on Native Business and projects such as "Project Northtalk" may serve to diminish this problem.

16. *Unique/Unusual Aboriginal Enterprises*

Many aboriginal businesses are quite conventional in form, reflecting the diverse range of commercial and industrial activities found in the general Canadian business world (these range from small grocery shops and service stations to larger construction and assembly operations, farms, and major resource development projects). However, a significant proportion of aboriginal enterprises are relatively unique, often reflecting the special geographic circumstances of the rural and remote populations, or the traditional pursuits of aboriginal peoples. These pursuits include such diverse activities as:

- wild rice harvesting
- hunting and trapping
- fur farming
- outfitting for wilderness touring and exploring
- northern farming (e.g. raising of ungulates, hot house gardening in cold climates, etc.)(currently more common among aboriginal people in other provinces, but potentially viable in Ontario as well)
- native arts and crafts

Many of these unique business pursuits are not well-known or understood in the general Canadian business community; as a result, conventional forms of support (e.g. business loans) are often not made available, or only with very high interest rates and service charges which reflect the perceived higher transaction costs (e.g. business plan review), risks and uncertainty associated with such enterprises. In general, conventional Canadian business services are not supportive of such unique aboriginal business enterprises, however important they may be to the local aboriginal entrepreneur and community.

17. *Unique Ownership and Control Arrangements*

The ownership arrangements and related commercial objectives of many aboriginal businesses also differ strongly from those of the typical non-aboriginal business. In addition to conventional aboriginal businesses which are owned by individual entrepreneurs or shareholders, there are many enterprises owned by families, extended families and larger community groupings such as band councils (especially for Indians living on-reserve), tribal councils, and similar native organizations and associations (many of which are not even incorporated). Moreover, many community-based enterprises are strongly influenced by band councils and/or aboriginal political associations. Although these ownership arrangements reflect traditional aboriginal values as well as collective community norms and objectives, they are seen by non-aboriginals as adding to the complexity and uncertainty of aboriginal business ventures.

Where non-aboriginal financial institutions are unfamiliar and inexperienced in dealing with such non-conventional ownership situations, they tend to perceive the risks and transaction costs as being higher than they actually are. In many situations non-aboriginal economic and financial institutions are averse to conducting business with aboriginal businesses (whether incorporated or unincorporated) involving what they perceive as being extended, complex and/or poorly-defined ownership, control and/or accountability relationships.

18. *Broader Community Socio-Economic Objectives*

In many cases, decisions affecting the operation and/or support of the business are taken at the community level through formal or informal political processes. In many cases, the enterprises are run not strictly on a commercial profit-maximization basis. Instead, the business goals and objectives are to maximize broader socio-economic returns and benefits to the community at large. This means that many aboriginal businesses may be considered quite viable even when their profits or returns on assets or equity may not compare favourably to conventional non-aboriginal norms. Lower rates of financial return may be quite acceptable where the continued operation of the enterprise:

- provides income to supplement other community resources and income, including that obtained from claims settlements, traditional pursuits (e.g. hunting, fishing and trapping) and other part or full-time employment

- reduces community dependence on outside social assistance support

- helps develop transferrable skills and business experience for community members who may subsequently participate in other commercial and industrial activities either within the community or in the mainstream Canadian economy

- provides meaningful employment for community members, with resulting social stability

- allows the community to conduct the business in a manner which is meaningful to the community in a cultural and social sense

19. *Native Languages*

Although approximately two-thirds (67%) of aboriginal peoples speak one of Canada's two official languages as their mother tongue (62% English, 5% French), approximately one-third (33%) cite another language as their mother tongue, including 29% who cite a native language as their mother tongue. It is believed that many aboriginal peoples would prefer to conduct business in their native language to the maximum extent possible. Many are disadvantaged by not being able to do business in their native tongue, since they speak neither English nor French fluently. Hence, there is an attraction to enhancing the provision of business support services in native languages.

20. *Native Culture*

In a similar fashion, many aboriginal businesses are disadvantaged by not being able to obtain specialized business services (e.g. financial services, business advisory services, and related accounting and legal services) through other aboriginal professionals and businesses which are naturally more understanding of, and sympathetic to, traditional native culture and values. Many aboriginal entrepreneurs feel they would be better served in many cases by other native people who may be generally more sympathetic and understanding of their fellow aboriginal entrepreneurs.

21. *Lack of Local Knowledge and Personal Contact*

Although an appreciable number of mainstream financial and related business development institutions enjoy close working relations with aboriginal businesses and communities, the majority of non-aboriginal service establishments are unfamiliar with the needs, conditions and circumstances of aboriginal peoples and their businesses. The geographical distance between aboriginal and non-aboriginal business enterprises is exacerbated by social, cultural and linguistic distances. Non-aboriginal financial and other business service institutions are, therefore, ill-equipped to make appropriate decisions regarding the likely viability, credit-worthiness and riskiness of specific aboriginal business ventures. In the absence of specific and reliable knowledge of local aboriginal conditions and circumstances, non-aboriginal businesses are generally inclined to be risk-averse. As a result, credit and other services are either withheld or offered only under severely restrictive terms and conditions (e.g. higher than normal interest rates, extraordinary reporting requirements, unusually high collateral, and less flexibility in loan administration and response to default situations). Many aboriginal entrepreneurs feel they would be better served by other native people and native institutions:

- may better know the specific individual and family circumstances of the entrepreneur (e.g. personal integrity and credit-worthiness)

- are familiar with the community conditions, circumstances and commercial/industrial opportunities, including the likelihood of meeting commitments made by community leaders to undertake community public investments or other initiatives necessary for the viability of a specific business venture.

- can easily and directly approach other aboriginal investors, suppliers and/or community leaders to engage the necessary support and cooperation for broader initiatives to assist in business development ventures.

22. *Special Aboriginal Trust Accounts*

Aboriginal claims are resulting in the creation of special trust accounts and authorities with considerable capital assets available for re-investment and/or portfolio management. Each trust account has associated with it special legal conditions and/or political restrictions on the use and management of the funds, requiring specialized financial management and advisory services, and an appropriate mechanism for maintaining aboriginal control and accountability.

23. *Unique Needs of Urban Aboriginal Peoples*

Because of the poor social and economic conditions and lack of opportunities in native communities, there appears to be an increasing tendency for aboriginal peoples to leave their traditional rural places of residence (e.g. reserves and settlements on Crown lands) and move to larger urban centres.

Financial services are considerably more accessible to individuals living in urban areas, although there remains some uncertainty as to how accessible they might be to people of aboriginal ancestry. It is felt that many aboriginal groups living in urban centres are poorly organized and lack adequate access to specialized services needed to assist them in more effectively participating in mainstream economic and business pursuits.

24. *Unique Needs of Aboriginal Women*

Future initiatives focusing on improving economic conditions of aboriginal peoples must address the unique needs of aboriginal women. Many aboriginal women face particularly severe economic hardships far beyond those experienced in the non-aboriginal population (by males and females alike). Among aboriginal peoples, economic circumstances are significantly worse for females than males. Single parent native women suffer the worst social and economic conditions of any major group in Canadian society.

One of the most important problems facing aboriginal women is discrimination based on sex and marital status. Many aboriginal women have complained that non-aboriginal financial institutions judge their requests for funding not on the merit of the proposal, but on the basis of marital status, or the credit rating of the woman's spouse.

At the same time, it is also evident that considerable discrimination on the basis of sex also exists in many aboriginal communities. For example, few women hold positions on band councils or in native organizations, yet in many cases these institutions control economic development resources on reserves. This is true despite the fact that native women in such positions tend to be dynamic, imaginative, and perhaps more conscious of the importance of staying in touch with the "grass roots".

In many cases native women have demonstrated a better success rate in upgrading life skills and certain kinds of training programs and in holding permanent jobs. They have also demonstrated the ability to adapt in a positive fashion to changing socio-economic conditions while maintaining a strong sense of commitment to culture and tradition. In this sense native women themselves represent a unique and important native economic development opportunity for which appropriate investments should be made.

Economic conditions among aboriginal women will not necessarily improve simply by vesting control over economic and financial matters in aboriginal communities. Rather, explicit attempts must be made to ensure the place of aboriginal women in any actions aimed at enhancing aboriginal control over financial affairs.

25. *Aboriginal Self-Determination*

In addition to overcoming special social, cultural, legal institutional and geographic barriers and obstacles, future business and economic initiatives need to recognize the need for direct and meaningful control by aboriginal peoples over institutions, programs and services affecting their lives and well-being.

The successful achievement of aboriginal self-determination can only be realized if it involves the development of mechanisms for aboriginal people to exercise control over their economic affairs. While this does not exclude continued or expanded utilization of non-aboriginal financial and other business services, it almost certainly requires the increased availability of specialized aboriginal-owned and controlled institutions to provide greater choice, flexibility and responsiveness in economic and business pursuits.

26. *Native Politics as a Constraint*

Native individuals at the local level have cited native politics as one of the causes for failures in past native economic development ventures. Because community control/ownership of business is often pervasive in native communities, there is a greater potential for overlap between politics and business. The danger in mixing the two is that business decisions could be made solely for political purposes.

VIII Conclusions

This discussion paper, together with its detailed appendices, has provided a description and assessment of four major elements:

A. *Socio-Economic and Business Conditions*
B. *Economic Development Opportunities*
C. *Economic Programs*
D. *Constraints to Development*

The major conclusions that should be drawn from this report are as follows:

A. *Conclusions: Socio-Economic and Business Conditions*

. ***There is no single profile or scenario which is universally applicable to native economic conditions and prospects.*** Rather, native people in Ontario are highly diverse in terms of native groupings, social and economic settings, geographic location, and general circumstances. For example, more than two-fifths (44%) live in northern Ontario. Of these, one-fifth reside in the broad region centred on Sudbury, while the majority are located in Algoma, Cochrane, and regions further north and west. One-tenth of native people are scattered throughout central and eastern Ontario. Almost one-half (47%) of native people live in the well-developed southern and southwestern regions of the province, including 13% located in metropolitan Toronto alone. This diversity of settings and circumstances calls for a diversified approach to program design and delivery.

. ***Economic conditions, as measured by conventional employment and income indicators, are significantly worse for natives than non-natives.*** This is especially true for status Indians - most particularly those living on-reserve. Average levels of employment, income, business ownership and educational attainment are all lower for natives than non-natives. For example, in 1981 only 48% of natives 15 years and over no longer in school were employed, compared to 64% of non-natives. For status Indians on-reserve, the figure was

36%. In 1980, almost three-quarters (74%) of native people earned less than $10,000 per year, compared to 54% of non-natives. In the same year, the average personal income of registered Indians on-reserve was $6,802, compared to $13,359 for non-natives. Less than one-third of natives had a high school diploma or higher level of education, compared to more than half (51%) of non-natives.

- While many people in Ontario (and elsewhere in Canada) may have a general understanding of the economic disparities between natives and non-natives, ***factual details of the economic circumstances facing native peoples are not well known or understood by natives and non-natives alike***. This discussion paper provides the most comprehensive description and analysis by government to date of native economic circumstances in Ontario.

- Within the native population, ***economic conditions are worst for native women***, who rank among the most impoverished of any group in Canadian society. Although women comprise only half (50%) of the total native population 15 years or over, they account for three-fifths (70%) of natives in the same age group with ***no income*** (1980).

- ***Native youth (0-24 years)*** who accounted for 60% of the population in 1981 (compared to 40% for non-natives), ***are facing a major economic crisis***. As the young native population reaches working age, there are inadequate opportunities to meet job expectations. In 1981, only one-third (34%) of Indians and one-half (51%) of other natives aged 15-24 years no longer in school were employed.

- ***There are major rural/urban disparities*** in economic conditions, patterns and prospects. For example, employment rates among natives in 1981 range from a low of 40% in rural areas to a high of 58% in major urban centres of 100,000 population and over - a 45% difference. (By contrast, the employment rates among non-natives ranges from 62-65% - a 5% difference.) Although data are not available on a sub-provincial regional basis at the present time, there is likely also a significant disparity in economic conditions among various regions. Native people in the north and eastern sections of the province almost certainly suffer lower levels of employment and income than those in the industrialized and developed southern regions.

- ***The employment and income prospects for native people*** are appreciably higher among those with higher levels of educational attainment. For example, employment rates range from a low of 17% for natives with no schooling to a high of 90% for those with a university certificate, diploma or degree. A higher level of educational attainment, however, is not sufficient on its own to completely close the gap between natives and non-natives.

- ***There are some encouraging signs*** in terms of native employment, income and business development capacities. More than 1,000 Indian-owned businesses alone are currently in operation. Native people have demonstrated a capacity to conduct successful businesses in virtually every major area of economic activity.

B. *Conclusions: Economic Development Opportunities*

- The ***economic and employment opportunities facing native people vary widely from region to region and community to community.*** Accordingly, economic and employment development programs and strategies need to reflect diverse priorities and delivery approaches.

- ***The overall level and range of economic opportunities available to native people are generally more substantial and positive than most people likely think.*** The legal, social, physical and natural resource factors, assets and resources available to native people can contribute very substantially to vastly improved economic and employment development.

- ***The economic development opportunities available to native people are largely untapped by native people.***

- There has been ***inadequate assessment of the specific economic opportunities*** in given sectors and regions.

- The ***economic development opportunities available to native people are highly diverse***, and present choices for combining ***exploitation of unique and local community opportunities*** with ***enhanced participation in mainstream opportunities*** outside the native community.

- The pursuit of ***even modest economic development opportunities will have a major positive impact on the employment, income and social stability of native people.*** The creation of sustainable enterprises - even small-scale businesses offering few and/or part-time jobs can be very significant in many native communities.

- Successful economic development for native communities will involve a combination of ***business (i.e. enterprise) development*** within the native community, ***employment*** either within or outside the native community, and ***substitution of imports*** into the community to reduce financial leakages and enhance spin-off commercial benefits within the community.

- There is a need to ***respect the underlying social and cultural aspirations inherent in economic development objectives of native people***, namely:
    - establishment and maintenance of ***meaningful pursuits*** which are ***viable and sustainable over the longer term***
    - contribution to ***self-reliance and self-determination***
    - nurturing of ***pride and self-esteem***
    - increase in ***size of income, wealth and real purchasing power***, and improvement in the ***equitable distribution of economic opportunities and rewards***
    - protection and support of ***native cultural traditions and values***

C. *Conclusions: Economic Programs*

- There is an ***impressive array of economic development and assistance programs available*** in most sectors and services. More than 130 distinct economic and/or business development programs are offered by federal and provincial agencies and special non-profit native and private institutions. Services range from broad-based community and infrastructure development programs to specialized sectoral services, training, business services and employment development.

- An ***overall lack of information and awareness***, coupled with ***inappropriate delivery mechanisms***, ***restrictive eligibility criteria***, and ***inadequate targeting and outreach*** have resulted in low levels of native participation and take-up of available program resources and support.

- ***Inadequate attention is paid to the program needs of native entrepreneurs and enterprises*** (including entrepreneurship, whether on individual or collective basis); ***instead, most of the native-specific economic programs*** (especially those offered by the Government of Ontario) ***focus on employees/workers*** (e.g. training and skills development) ***or on broad-based community development*** (e.g. community infrastructure).

- ***The majority of programs available through federal and provincial agencies are focused on existing business enterprises or communities with established planning capacity; there is inadequate support for new business start-ups and economic capacity-building at the community level.***

- In general, ***federal and provincial economic programs for native people are inadequately coordinated.***

- The ***overall level of financial and technical resources available*** and ***specifically targeted*** to native economic development ***is inadequate*** in light of needs and opportunities.

- There is ***increasing interest and willingness on the part of federal and provincial departments and agencies to respond to native needs and concerns.*** A greater and more concentrated level of effort, however, is required to quickly establish better designed and more targeted programs of support which respond to particular needs of native people.

- There is ***very little interaction between, and few joint ventures involving, native businesses & communities and the mainstream business sector.***

- The ***special needs of native women are inadequately addressed***; there is a need for specialized programs focusing on such factors as enhancing self-esteem; helping native women enter the wage economy, providing child care and other family support; enhancing work skills and overcoming community resistance to female participation in the wage economy.

D. *Conclusions: Constraints to Development*

- Although there are ***many formidable constraints*** to economic development among native people, the success of many native enterprises attests to the prospect that ***many native communities can enjoy more substantial levels of economic development than at present***.

- The ***various constraints, barriers and obstacles*** to development affect different individuals, enterprises, sectors, regions and communities differently. Economic programs and strategies need to recognize and specifically address these barriers.

- ***Some barriers and obstacles are largely non-controllable***, and require compensating measures (e.g. limited access to natural resources, geographic location, fundamental legal constraints, and cultural factors). ***Others are more controllable***, especially over the longer term (i.e. through education and skill development, adequate day care, access to finances, marketing networks, physical infrastructure, etc.).

- The ***major controllable factors*** affecting economic development relate to ***education and skill development***, ***access to resources***, ***access to capital***, and ***settlement of claims***. All of these can be responded to through appropriate mechanisms.

- ***Many existing programs can play a significant role*** *in enhancing native economic development, although this may require some realignment in program objectives, delivery mechanisms, eligibility criteria, etc.*

- *The* ***existing programs, however, are not sufficient to meet the needs and opportunities facing native people in their economic development***. There is a requirement for a wider and more comprehensive range of programs and services, with greater levels of funding, and more appropriate delivery mechanisms.

- There is a ***need for special delivery mechanisms*** to respond to the unique geographic, cultural and other factors affecting native participation.

- There is a ***need to identify and promote major native economic successes*** to break down perceptional and attitudinal barriers on the part of non-natives in the province.

- ***Successful native economic development will require the combined efforts of natives themselves, governments at all levels, and the private sector.***

ADEQUACY OF CURRENT PROGRAMS IN RESPONDING TO MAJOR CONSTRAINTS TO NATIVE ECONOMIC DEVELOPMENT

CONSTRAINT	MAJOR GAPS AND/OR DEFICIENCIES IN FEDERAL, PROVINCIAL, PRIVATE AND/OR NATIVE PROGRAMS

1. Inadequate Education and Skills (i.e. formal training, life skills)	. curricula irrevelant/insensitive to native needs, culture and values
	. strange/hostile environment in mixed schools
	. remote/inadequate school facilities
	. inadequate response/resources dealing with school-leaving factors:
	  . financial pressures to get job
	  . lack of positive native role models
	  . urban migration
	. poor fit between training and job prospects
	. inadequate linkage between training and placement services
	. inadequate support for on-the-job and apprenticeship and similar training approaches
	. lack of credibility and formal recognition of training; insufficient accreditation

2. Lack of Business Experience (underdeveloped business skills; absence of track record; inadequate business network)	. inadequate support for basic work skills (literacy, numeracy, basic work and organizational skills) . inadequate emphasis on entrepreneurship . inadequate linkages between business training and financial support programs . inadequate means to bridge gaps caused by ignorance, misunderstanding and stereotyping by non-native lenders, investors, etc.

CONSTRAINT	MAJOR GAPS AND/OR DEFICIENCIES IN FEDERAL, PROVINCIAL, PRIVATE AND/OR NATIVE PROGRAMS
2. Lack of Business Experience (cont'd)	. overly rigid criteria and/or bureaucratic processes for native access to financial, technical and other services . inadequate means to offset hostility and resistance from non-native community for native participation in mainstream economy . inadequate support for knowledge, skill and information transfer
3. Locational limitations (isolation from markets; infrastructural deficiencies)	. inadequate recognition of importance of subsistence economy; inadequate support for its development . inadequate resources to meet demand for transportation and improvement . inadequate consideration of social costs and benefits in locational/ transportation issues related to rural and remote economies
4. Financial factors inadequate capital/equity, restrictions on the use of reserve assets as loan collateral, problems of surety bonding and performance guarantees)	. inadequate risk capital available for front-end development and business start-ups . inadequate means to offset/deal with risk aversiveness & uncertainty on the part of private lenders/investors dealing with native people . overly rigid, inflexible and/or inappropriate guidelines and criteria for access to financial assistance

CONSTRAINT	MAJOR GAPS AND/OR DEFICIENCIES IN FEDERAL, PROVINCIAL, PRIVATE AND/OR NATIVE PROGRAMS
5. Inadequate social support (child care, unique needs of urban aboriginal people)	. virtually no support available for daycare for children of working parents . inadequate support for referral, counselling and similar community assistance for natives in urban settings, migrant native youth, single parents, chronically unemployed, etc.
6. Economic Climate (declining industries)	. tendency to over-rely on threatened/declining industries (e.g. forestry and fishing) . need to take better account of long-term prospects in key sectors relevant to native people, including new approaches to keep pace with international competition, technological change, etc. . tendency to overlook specific, local opportunities for native people even in generally declining industry sectors or regions (i.e. disregard for unique native opportunities, wage and profit expectations, and community priorities) . tendency to exclude natives from re-tooling, re-training and modernization initiatives (i.e. tendency to focus on major, mainstream enterprises and communities) . tendency to over-rely on single industries (inadequate attention to/support for economic diversification)

CONSTRAINT	MAJOR GAPS AND/OR DEFICIENCIES IN FEDERAL, PROVINCIAL, PRIVATE AND/OR NATIVE PROGRAMS
7. Legal/political climate (i.e. native political complexity; federal-provincial relations; self-government; constitutional talks; land clams; access to resources; creation of special trust accounts)	. cumbersome methods/approaches to native consultation and involvement in program design, delivery and evaluation . absence of mechanisms and support to offset limitations of Indian Act re use of reserve land as collateral . continuing uncertainty regarding federal and provincial responsibilities for economic program delivery; reluctance to take lead . lack of understanding of alternative models for "self-government" in economic context . time-consuming and uncertain processes for constitutional development, claims settlement and access to resources

8. Cultural Factors (languages; unique enterprises and products; broader social and community objectives; unique ownership and control arrangements; lack of knowledge on the part of non-natives)	. inadequate means to bridge gaps between native and non-native economies:
	  . overcoming language barriers
	  . improving public knowledge about native conditions, opportunities, traditions and values
	  . overcoming uncertainties re native business practices and ownership/control arrangements
	  . etc.
	. inadequate financial and technical support for unique native products and enterprises important to native culture

CONSTRAINT	MAJOR GAPS AND/OR DEFICIENCIES IN FEDERAL, PROVINCIAL, PRIVATE AND/OR NATIVE PROGRAMS
9. Low Self-Esteem (psychology of dependence)	. persistent patronizing attitude on part of government and non-native public toward native people
	. over-emphasis on dependency-creating or dependency-sustaining approaches to native economic problems
	. limited positive role models in economic sphere
10. Systemic Discrimination (racism and bias within existing institutions, unique needs of women)	. inadequate attention to government and major private sector hiring, purchasing joint venture and investment policies & practices re: native participation
	. lack of recognition of native women as most seriously disadvantaged sector of population
	. inadequate attention to overcoming systemic barriers to native participation (e.g. native awareness of available programs, social support structures, cultural sensitivity, etc.)
	. inadequate support for native youth in transition from school-leaving through family formation, labour force participation and career development
11. Inadequacies of Government Programs (gaps; lack of native input; impediments to access)	. overall low priority and profile of native concerns within broader economic program context
	. lack of coordination amongst economic programs relevant to native people
	. ineffective approaches to communicating program availability to native people

CONSTRAINT	MAJOR GAPS AND/OR DEFICIENCIES IN FEDERAL, PROVINCIAL, PRIVATE AND/OR NATIVE PROGRAMS
11. Inadequacies of Government Programs (cont'd)	. inadequate capacity for native people to plan, organize and prepare proposals to participate in available programs (i.e. lack of institutional capacity for natives to participate)
	. major gaps in areas highly relevant to native economic needs and opportunities (see following chart)
	. lack of federal/provincial coordination and cooperation
	. inadequate linkages with/involvement of private sector
	. inadequate native involvement in policy/program design, delivery and implementation
	. lack of long-term development orientation; over-emphasis on short-term remedial approaches

ADEQUACY OF CURRENT PROGRAMS IN RESPONDING TO NEEDS IN SPECIFIC ECONOMIC SECTORS

SECTOR	MAJOR GAPS AND/OR DEFICIENCIES IN FEDERAL, PROVINCIAL, PRIVATE AND/OR NATIVE PROGRAMS
Agriculture	. inadequate financial support for Ontario Indian Agricultural Program; difficulties tapping NEDP funds . inadequate support for front-end feasibility testing and related research . limited support for northern farming . inadequate attention to farm start-ups
Forestry	. lack of support/focus for native participation in forestry; inadequate financial support for Indian Forestry Development Program . over-reliance on labour-intensive job-creation approaches to native participation (e.g. brush clearing) rather than development of appropriately-scaled lumber and milling operations . barriers to native access to forest resources; inadequate mechanisms for participation in Forest Resource Development Agreements; difficulties obtaining licences
Fisheries	. inadequate support for start-ups and/or expansions . inadequate support for off-shore market development (e.g. Europe, Japan, U.S., etc.) . inadequate attention to/linkages with sport fishing and related tourism opportunities

SECTOR	**MAJOR GAPS AND/OR DEFICIENCIES IN FEDERAL, PROVINCIAL, PRIVATE AND/OR NATIVE PROGRAMS**
Mining and Energy	. inadequate awareness of 1986 agreement re: access to mineral development revenues . no central focus of support for native participation in mining and energy developments . inadequate support for/attention to small-scale hydroelectric and biomass energy projects . inadequate response to native concerns re: economic and environmental impacts of major development projects . ineffective mechanisms for native participation (employment and business opportunities alike) in resource development projects
Hunting and Trapping	. no central focus for support for native hunting and trapping interests . inadequate support for native participation in value-added spin-off activities (e.g. garment design and manufacture) . lack of trapping income subsidization program
Transportation and Communications	. no major problems or concerns . demand for more support for native involvement in transportation industries (busing, trucking, chartered air service, etc.)

SECTOR	MAJOR GAPS AND/OR DEFICIENCIES IN FEDERAL, PROVINCIAL, PRIVATE AND/OR NATIVE PROGRAMS
Crafts, Visual and Performing Arts	. inadequate protection against fraudulent or bogus "native" arts and crafts . inadequate domestic and international marketing support . inadequate support for more complete and comprehensive native involvement in all facets of the industries
Tourism, Recreation and Outfitting	. inadequate support for infrastructure development (transportation, lodging, recreational facilities, etc.) . need for more attention to marketing of unique native tourism and recreational opportunities . inadequate linkage to general tourism and recreation initiatives . lack of central focus for native participation in tourism industry
Processing and Manufacturing	. major gap in federal/provincial programs re: native processing and manufacturing . inadequate attention to opportunities for joint ventures and/or investment/start-up on Indian reserves . tendency to pigeon-hole natives in conventional and/or outmoded industrial pursuits; under-appreciation of native opportunities in new and high-technology industries

SECTOR	**MAJOR GAPS AND/OR DEFICIENCIES IN FEDERAL, PROVINCIAL, PRIVATE AND/OR NATIVE PROGRAMS**
Retail	. inadequate support for basic commercial skills/entrepreneurship . under-appreciation of importance of small-scale retail operations in native economic context . inadequate marketing/public relations efforts to attract non-native business in native communities
Commerce, Trade and Finance	. inadequate support for native participation in professional commerce, trade and finance careers . limited network development/marketing of existing and emerging native professionals and native services in these sectors
Professional Services	. inadequate support for native participation in business-related professions - law, accounting, and management consulting - as well as other professions which generate considerable income and establish positive role models (e.g. medical profession, university teaching, scientific research, etc.)
Personal Services	. inconsistent/inadequate training and skill development support for certain personal service occupations . inadequate support for business start-ups . need for more support to penetrate mainstream markets

SECTOR	MAJOR GAPS AND/OR DEFICIENCIES IN FEDERAL, PROVINCIAL, PRIVATE AND/OR NATIVE PROGRAMS
Personal Services (cont'd)	. general under-appreciation of significance of small-scale personal service operations within native economic context
Construction	. absence of means to meet surety bonding and performance guarantee requirements (especially for Indians on-reserve who cannot use capital assets as collateral) . lack of central focus for native design and construction enterprises to more effectively participate in mainstream opportunities . inadequate vehicles for native involvement in government contracting for construction and maintenance services
Education and Skills Development	. insufficient emphasis on native participation in teaching and skills careers - especially beyond public school level . need to tap opportunities for native participation in relevant curricula development . need for enhancement of native reputation and profile in broader community . absence of native advanced educational/research/training institution and related facilities . insufficient support for off-reserve native boarding institutions for native post-secondary students

SECTOR	**MAJOR GAPS AND/OR DEFICIENCIES IN FEDERAL, PROVINCIAL, PRIVATE AND/OR NATIVE PROGRAMS**
Public Service	. over-emphasis on competition for existing participants in public service at expense of new recruitment and staff development . over-emphasis on native employment in native-specific programs, rather than full spectrum of public service . inadequate support for involvement of native women in public service . over-emphasis on central opportunities, at expense of regional and local opportunities where native people may maintain contact and visibility in regions of the province where there are high concentrations of native people . virtually no special support for native involvement in provision of services to government by native enterprises (e.g. contract cleaning, maintenance, transportation, furniture supply, consulting etc.)

IX Proposed Framework for Government Support to Native Economic Development

Responding to the development opportunities available to native people throughout Ontario, enhancing available economic programs and services, and assisting native people in overcoming specific barriers and obstacles to development will require a strategic, comprehensive and coordinated approach on the part of the Government of Ontario.

A ***three-part policy framework*** is proposed to guide the Government in addressing native economic development issues in Ontario:

I ***Acknowledgement and understanding*** of the diverse ***needs, opportunities and development potential*** facing native people in Ontario, and ***demonstrated commitment*** to providing appropriate government support.

II Translation of the existing ***Corporate Native Affairs Policy*** into a native economic development context.

III Recognition and establishment of ***linkages between native economic development initiatives*** and the government's ***broader social and economic policies***, priorities and strategies.

THE GOVERNMENT'S STRATEGY FOR SUPPORTING NATIVE ECONOMIC DEVELOPMENT CAN AND SHOULD ONLY BE FINALIZED AFTER CONSULTATION WITH NATIVE PEOPLES AND THEIR REPRESENTATIVES. THIS PROPOSED FRAMEWORK IS INCLUDED TO PROMOTE AND FOCUS SUCH DISCUSSIONS AND CONSULTATIONS.

I ***Acknowledgement and understanding of native economic development needs and potential***

A government policy and strategy for native economic development must be based upon a ***clear, firm and visible commitment*** on the part of the government to responding to the very real economic needs and opportunities facing native people throughout the province. This requires an ***acknowledgement and understanding of the significant disparities in economic status*** between most native peoples and other people in Ontario. It also involves a ***recognition of the tremendous diversity*** in such economic conditions and circumstances from native group to native group, from region to region, and from community to community. The particularly grave economic circumstances of native women and youth in general, natives living in rural and remote areas, and status Indians on-reserve must be specifically highlighted and acknowledged.

At the same time, a government policy and strategy for economic development must be soundly based on a ***firm conviction that there are significant untapped opportunities*** for improved economic conditions and performance among native people. This calls for a ***major shift in conventional thinking about the circumstances and opportunities facing native entrepreneurs, enterprises and their communities***.

The overall priority attached to native economic development should reflect the level and scope of needs and opportunities. Acknowledgement of the significant economic needs and opportunities of native people in Ontario should be accompanied and supported by ***clear and visible commitment to appropriate government support***. This can be achieved in several ways, including:

- assignment of ***greater financial and government personnel resources*** to native economic development programs and services

- provision of ***more government leadership*** to educate and inform the public and business communities about native economic needs, opportunities and prospects, and to promote greater levels of business interaction between natives and non-natives

- ***more frequent and regular focusing of Cabinet attention*** to native policy and program matters, including better consideration of native economic concerns within broader economic development strategies

- ***improved government responsiveness to native requests and proposals*** for action on all related policy and program matters

- ***adoption of special measures*** (e.g. program eligibility and resource allocation criteria, employment equity, affirmative action, compliance legislation, etc.) to ensure equality of economic opportunity for native peoples, and to address and offset the unique and/or disproportionate barriers and obstacles facing native people

II *Translation of Corporate Native Affairs Policy into Economic Development Context*

The Corporate Native Affairs Policy framework approved by the Cabinet in October, 1985 serves as the primary policy framework guiding native programming in Ontario. As such, it provides overall guidance and direction for the planning, design and delivery of government programs insofar as they affect or relate to native people. It is recommended that this policy framework be translated, as suggested below, into terms relevant to economic development programs.

The Corporate Native Affairs Policy establishes eleven basic principles governing Ontario's approaches to native affairs policy:

a) Commitment to aboriginal self-government ("self-determination")

The Government of Ontario is committed to entrenchment of rights to self-government for aboriginal peoples, and to the undertaking of negotiations with the federal government and provincial native organizations directed towards reaching agreements on the implementation of aboriginal self-government in Ontario.

The Government of Ontario should give formal recognition to the fact that ***self-government is only meaningful within the broader context of self-reliance***. In this sense, then, ***government policies and initiatives related to recognition of self-government should be supported by parallel initiatives which help native people and communities to develop their own capacity for on-going economic growth, viability, self-reliance and independence***.

In the economic realm, ***aboriginal self-determination can take many forms***, depending on native preferences and the degree of and nature of program linkages with broader (i.e. non-native) objectives and interests:

- establishment of ***consultation mechanisms and processes*** for native input to economic policy and program development

- involvement of ***native economic development workers*** in either staff or consulting positions in economic programs

- appointment of ***native advisors and/or advisory boards*** to guide policy/program development and implementation

- establishment of ***special native components*** of economic programs under native control

- support for creation and/or utilization of ***native-owned and controlled economic institutions*** for program delivery

- provision of ***block funding*** for economic development purposes, to appropriate ***native governments/government bodies***

b) Increased self-reliance

The Corporate Native Affairs Policy notes that the cycle and pattern of dependence which has frequently characterized native conditions in general, and native relationships to government in particular, need to be broken. ***A principal goal is for native people, with appropriate support from government and the private sector, to increase their overall self-reliance and self-sufficiency.*** In economic terms native self-reliance is measured by the following principal goals:

- creation of, and improved access to ***meaningful, rewarding and secure jobs*** for native men and women

- enhancement of economic and employment ***choices***, for males and females alike, in native and/or mainstream economies

- establishment, expansion and enhancement of ***native-owned and controlled businesses and enterprises***

- creation of native-owned and controlled ***wealth***, in terms of ***financial capital, community capital, human skills and institutional capacity***

- improvement in ***overall economic conditions and performance*** at the individual, family, community and regional levels so as to enhance ***financial security***, ***employment equity***, and ***economic choices*** for native people, while reducing the need for native people to depend on government support for the basic necessities of life

c) Respect for Native Cultures

A key element of the Corporate Native Affairs Policy is the government's commitment to respecting native cultures and traditions, recognizing that ***there is no single native culture in Ontario*** but rather a multiplicity of cultures and traditions reflecting the different ethnic, linguistic, geographic and cultural circumstances of different native groups, communities and regions. In economic terms, this calls for ***government recognition and understanding of native traditions, values and attitudes regarding employment, commerce, business ownership and similar factors***. In general, this involves respect for the following:

- historic importance attached by native people to ***access to land and natural resources***; and current cultural values attached to the ***ownership of land*** and ***reluctance to alienate lands*** for commercial purposes

- the significance of ***traditional and non-wage pursuits*** in native culture

- ***alternative business ownership, management and control patterns*** (e.g. extended family participation, tribal and/or band ownership, etc.)

- the special significance of ***cultural traditions and their relationships to commerce*** (e.g. native arts and crafts)

- the importance of ***choice and control*** over economic conditions by native people in pursuit of their own economic, cultural and social objectives

- the importance of ***family and community values*** in certain aspects of commercial activity

d) Consultations on Policy and Program Development

The Corporate Native Affairs Policy emphasizes the government's commitment to developing appropriate programs supportive of native self-determination and self-reliance ***only in consultation with native people***. (This reflects and complements the government's broader commitment to more ***open government*** and ***participatory approaches*** to policy and program development involving natives and non-natives alike.)

This discussion paper has been prepared on the basis of a round of informal consultations used to identify appropriate discussion items, and to gather pertinent background data and information only. The government is committed to further explore options for native economic programming on the basis of consultations with appropriate representatives of all major native groups and associations. A ***commitment to appropriate levels and forms of native consultation on broad economic policy and program strategy matters*** must be reinforced by a ***further commitment to detailed consultations with native groups on all native-specific programs, and with native communities on community-based programs and projects***.

This commitment to native consultation must apply ***not only to new policy and program initiatives*** but ***equally to planning and impact assessment processes*** related to all programs having major social, economic and/or environmental impacts on native communities (e.g. resource and infrastructure development projects).

e) Adoption of Developmental Approach

The Corporate Native Affairs Policy framework notes that previous approaches to native policies and programs tended to foster a reactive and remedial "safety net" approach to Indian conditions, rather than a proactive and longer-term developmental approach. This tended to result in an inability to resolve long-term problems of dependency on government services and did not provide an appropriate framework for coordinated and comprehensive government support.

A developmental approach to economic programs for native people needs to address and respect the following basic concepts and principles:

i) The overall approach to economic development should focus on ***building a capacity*** on the part of native peoples to achieve their own economic development objectives, rather than provision of remedial support which merely addresses the symptoms and not the root causes of economic and social dependence. ***The object of government assistance should be to equip and enable native entrepreneurs, individuals and communities to assert control over the factors and resources necessary to improved economic development***, according to native priorities, needs and aspirations articulated at the provincial, regional, local and individual levels.

ii) Programs of support should address the ***full range of opportunities*** available to native people to improve their economic conditions and prospects. This includes renewed and reinforced attention in areas which have already benefited from some government assistance, and new ventures into non-conventional areas of support which are important and meaningful to native people according to their unique cultural, geographic and historical circumstances.

iii) The ***level and pace of development*** and the ***forms and mechanisms of program delivery*** should respect the needs and circumstances of the different native groups (status Indians, non-status Indians, Métis and Inuit), taking into account different levels of development, priorities and capacities.

iv) Support for native economic development should focus on the achievement of ***sustainable, long-term economic development*** which maximizes access to meaningful employment and rewarding pursuits (including wage and non-wage or subsistence) in a manner consistent with, and supportive of, native culture, traditions, priorities and aspirations. The adoption of short-term job creation approaches should be abandoned. The design and orientation of developmental programs (e.g. training) should be tailored to support realistic and sustainable development of benefit to natives and their communities.

v) There is a need for a ***balanced approach*** to efforts which focus primarily on ***native entrepreneurs and enterprises***, and those which deal more broadly with ***community socio-economic development***.

vi) Native economic development should involve ***native people playing the primary role*** in planning and shaping their own economic future; support for native efforts should involve ***balanced contributions from the government, private and voluntary sectors***.

vii) An economic development strategy for native people in Ontario should allow for ***differentiation*** along several dimensions:

- specific economic ***sectors*** (e.g. agriculture, forestry, tourism, manufacturing, retail, etc.)

- specific sub-provincial ***regions*** (e.g. northwestern Ontario, northern Ontario, metropolitan centres, southern rural/farming areas, etc.)

- specific ***programs and services*** (e.g. financial assistance, training, organization development, business advisory services, etc.)

viii) There is ***no universal model for success*** in the field of economic development. Rather, a variety of approaches and points of entry are required to offer the maximum flexibility for access by natives in all regions, sectors and stages of development.

f) Service Delivery by All Ministries

The Corporate Native Affairs Policy framework calls for ministries with programs and services which apply to native people to ***emphasize initiatives supportive of native self-government and self-reliance*** (developed in consultation with native people). The policy recognizes that native peoples in Ontario have a right to a ***full and equitable participation in all available programs***, including economic development programs. It also recognizes that the ***special needs and priorities of native people may call for particular emphasis to be placed on service delivery to native clientele***. This is particularly true in the economic sphere.

There are numerous provincial ministries whose programs and services will be crucial to successful native economic development. In many cases, the ministries have existing programs which can be strategically directed to better serve the needs of native people in economic development fields. In some cases this involves ***expanding the level of resources*** and/or ***improving native accessibility*** to the programs. In other cases, it requires ***adjustment to the design and direction of the programs*** to make them more relevant to native needs and circumstances. All ministries need to identify specific means by which they can better contribute to native economic development. No single ministry can or should assume responsibility for provision of economic development support to native people.

Successful government programs for native economic development will require the combined skills, expertise and resources of the full range of government programs - including not only those specifically related to economic development, but others which have an influence on factors conducive to economic development and performence (e.g. child care, resource and environmental management, government procurement, housing and community infrastructure, etc.).

In view of the numerous and highly diverse ministries offering services important to successful native economic development, there is a need to establish appropriate interministerial coordinating mechanisms to ensure consistent, cohesive, mutually-reinforcing and non-duplicative government policies and programs. This should respect the following:

- the individual sectoral and/or functional responsibilities and interests of individual line ministries (e.g. Agriculture and Food; Natural Resources; etc.)

- overall responsibilities of the Ontario Native Affairs Directorate for the planning, coordination and monitoring of broad native policies and program direction

- special responsibilities and contributions of the Native Community Branch of the Ministry of Citizenship and Culture for planning and coordination of developmental initiatives at the community/regional level

- special responsibilities and contributions of the Ministry of Northern Development and Mines for broad-based planning, coordination and implementation of programs focused on northern regions of the province

- special responsibilities and contributions of the Ontario Women's Directorate with regard to consultations and special policy and program initiatives regarding native women

g) Native-Specific Programs

Complementing the above guiding principle, is the government's commitment to encouraging Ontario ministries to develop ***native-specific services to meet the particular and unique needs of native people and to support the protection of their cultures***. This can take many forms:

- undertaking of ***special initiatives*** within each ministry to ***sensitize staff*** to the particular needs, circumstances, opportunities and aspirations of native people, so as to promote greater responsiveness and relevance in program delivery

- ***adjustment and refinement of existing government policies and programs*** (especially program eligibility and funding allocation criteria) so as to enhance relevance to native people, and to ensure removal of any elements of systemic discrimination (i.e. removal of unnecessary institutional, legal or other barriers which do not materially undermine the primary purpose or content of the program, but which contribute to increased native participation and take-up)

- ***ear-marking of appropriate levels of resources*** commensurate with native needs and the position of native people within overall priorities for government assistance and support

- design and establishment of discrete ***native program components*** designed to provide a visible and accessible point of contact for native participation, while ensuring targeting of support to native groups, sectors and communities

- establishment of ***native advisory boards, steering committees, review and evaluation processes, and other forms of native participation*** in program design and delivery to enhance relevance and responsiveness

- creation and/or utilization of ***native-owned and controlled economic institutions*** (i.e. sectoral and regional development organizations) for program delivery so as to enhance relevance, responsiveness and accessibility

h) Non-Discrimination in Program Delivery

The Corporate Native Affairs Policy removed the 1977 moratorium on the extension of new programs to Indians on reserves, and instead established the principle that ***aboriginal peoples should receive provincial programs and services on a non-discriminatory basis*** to meet their needs, to the extent that provincial legislation of general application occupies the field and to the extent that ministry budget allocations and program planning permit.

The Corporate Native Affairs Policy, therefore, allows for ***increased involvement on the part of the Government of Ontario, together with the Government of Canada, in the provision of economic (and other) programs and services*** to all aboriginal peoples, including status Indians living on-reserve. Such involvement will require the rationalization of respective federal and provincial responsibilities for programs and services to aboriginal peoples in Ontario. Among other things, this calls for ***new means of dealing with economic (and other) program delivery***, since many Indian reserve communities are discrete entities and call for different program delivery approaches than those appropriate for native people in mixed communities and regions.

i) Monitoring Role of Ontario Native Affairs Directorate (ONAD)

The Ontario Native Affairs Directorate (formerly the Office of Native Affairs Policy), which operates under the direction of the Minister Responsible for Native Affairs, has been given the authority by Cabinet to undertake specific strategic policy development studies which will provide more particular direction for the negotiation of self-government agreements and forms of economic development assistance for native peoples. Consistent with that authority, the Directorate should continue to play a ***monitoring and coordinating role in the development, implementation and regular evaluation of the full range of government initiatives in the area of native economic development***. To respond to the particular needs and priorities of native women, the Ontario Native Affairs Directorate is to continue to work with the Ontario Women's Directorate to identify native women's issues which should be the subject of specific government efforts.

To ensure that the Ontario Native Affairs Directorate can play an effective role in planning, coordinating, monitoring and evaluating the government's broad range of policy and program activities dealing with native economic development, the following needs to be put in place:

- a ***budgetary envelope (or equivalent) for native economic development***, within which priorities can be established and results can be planned and evaluated against expenditures. Line departments would identify, within their operating and capital budgets, funds to be dedicated to native economic development; ***reserve funds*** within the envelope could be allocated to top-up available funds for economic development initiatives of individual ministries. Use of funds within the envelope would be guided by overall policies and priorities established by ONAD in consultation with native people and with other ministries, and approved by the Cabinet Committee on Native Affairs and by Management Board.

- a ***database*** on native economic conditions, opportunities, programs, expenditures and major projects; this database is to be used for program planning, priority-setting and evaluation purposes

- ***mechanisms*** to ensure appropriate ***consideration of native economic development needs and opportunities*** in all relevant facets of economic programs of the government; this might include:
    - more formal means for considering native economic impacts and implications of all relevant ***new economic policy or program submissions to Cabinet***
    - regular cyclical review of ***existing policies and programs*** throughout the government to identify means by which they may be better tailored or directed to support native economic development
- special joint sessions of the ***Cabinet Committees on Native Affairs, Northern Development***, and ***Economic Policy*** to ensure linkages between native economic development initiatives and the government's broader strategies on economic development

j) Federal/Provincial Jurisdictional Responsibilities Regarding Native Economic Development Program Delivery

There is little consensus with regard to the interpretation of the legal boundaries of federal versus provincial involvement in the provision of services to Indians. However, arguments within political forums have drawn upon various provisions of the Indian Act and, primarily, the Constitution Act of 1867 (the British North America Act, 1867 which is now a part of the Constitution Act, 1982). Section 91(24) of the Constitution Act 1867 denotes "Indians, and lands reserved for the Indians" as within the exclusive jurisdiction of the Federal Government. Section 88 of the Indian Act reads as follows:

> "Subject to the terms of any treaty and any other Act of the Parliament of Canada, all laws of general application from time to time in force in any province are applicable to and in respect of Indians in the province, except to the extent that such laws are inconsistent with this Act

> or any order, rules regulation or by-law made thereunder, and except to the extent that such laws make provision for any matter for which provision is made by or under this Act."

A summary review of relevant case decisions from several provincial courts and the Supreme Court of Canada indicate that there are primarily two interpretations of the above statutes:

- that provincial laws apply to Indians (those registered under the Indian Act), so long as they do not discriminate against them and unless they are in conflict with federal Indian legislation. No immunity from provincial laws is recognized for Métis, Inuit, non-status Indians who come within the constitutional category of Indians but who are excluded from the Indian Act
- that provincial laws apply to Indian reserve lands if they do not directly affect the use of land, do not discriminate against them and are not in conflict with federal Indian legislation (e.g. the Indian Act)

It is important to note, especially in the context of economic development, that both of the above interpretations relate only to legislative jurisdiction. Neither Section 88 of the Indian Act nor Section 91(24) of the Constitution Act, 1867 impose substantive requirements for service delivery upon the provincial governments. They do not specifically relate to the monetary discretion of provincial governments. Correspondingly, they do not restrict provincial spending and service delivery. This means that there is no legislation which prevents the province from providing economic development programs and services to status Indians (whether on or off-reserve). Nor is there legislation which compels it to do so.

There is disagreement between the Government of Canada and the Government of Ontario on the political and moral, if not legal, obligations of each government to provide economic (and other) programs and services to Indians on-reserve. Accordingly, there is a need for tripartite

(Federal/Provincial/Indian) agreement on responsibilities, processes and coordinating mechanisms for economic program delivery to status Indians both on and off-reserve.

The ***federal government*** has not addressed the questions of the economic base of aboriginal governments and the powers and jurisdiction that such governments would exercise in order to generate revenue for their internal operations.

With regard to the issue of the clarification of federal and provincial responsibilities for the financing of aboriginal governments, the federal government takes the view that it has responsibilities defined in law and policy for status Indians but that it has no comparable responsibilities for non-status Indians and Métis. Furthermore, the federal government argues that its responsibilities for status Indians are limited in nature with the result that the provinces have an obligation to extend their programs to status Indians on the basis that status Indians are residents of the provinces and are entitled to provincial services to the same extent as other residents of the provinces.

The federal government does not believe that there is a basis for a positive discussion of the issue of the clarification of federal and provincial responsibilities for aboriginal governments within the constitutional talks. The federal government points out that there is no agreement on the definition of federal responsibilities under section 91(24) of the Constitution Act, 1867 and that there is no data base which would assist governments in assessing the impact of the various options that may arise for the clarification of financial responsibilities.

The federal government does appear willing to clarify the nature and scope of the approaches to this question but it considers that any lengthy debate on the merits of the various approaches should be avoided.

Provincial governments have raised the question of the viability of aboriginal governments in view of the generally limited economic base that would be at their disposal. However, provinces have not formally and exhaustively addressed the question of the natural resource base and the powers and jurisdiction necessary to ensure that aboriginal governments have the means to generate internal revenues that could contribute to the financing of their operations.

On the issue of clarifying the role of the federal and provincial governments in the financing of aboriginal governments, provinces generally adopt the position that the federal government has responsibility for the cost of all services to status Indians. In addition, most provinces argue that under section 91(24) of the Constitution Act, 1867 the federal government also has a responsibility for non-status Indians and Métis. The nature of this latter responsibility, however, remains largely undefined by the provinces. In recent constitutional negotiations, the Government of Ontario has stressed the need for the federal government to increase services to aboriginal groups off-reserve, in light of provincial considerations of playing a larger role on-reserve.

k) Federal/Provincial Cost-Sharing Arrangements

The Corporate Native Affairs Policy was developed on the understanding that increased provincial funding on Indian reserves should not result in decreased federal funding and that the provincial government would consider options for appropriate sharing of costs for any new initiatives regarding provincial programs delivered to native people - especially to status Indians living on-reserve (e.g. via ERDAs).

To the maximum extent possible, the ***provincial government should proceed with such negotiations with the federal government*** prior to the announcement of any major new economic initiatives, in order that an appropriate formula and mechanism for cost-sharing can be reached while the provincial government is in a reasonable bargaining position. Special concern needs to be paid to the ***avoidance of any abdication of responsibility on the part of either government for delivery of programs to native people.***

III *Linkages to Other Socio-Economic Policies and Priorities*

Any initiatives in the area of native economic development must be placed within the broader context of the government's overall social and economic policies, priorities and strategies initiatives. The development of specific native economic development programs and related delivery mechanisms should not be seen to constitute a separation or isolation of native people from the broader economic policies and strategies of the government. To the contrary, native people should expect to participate actively and equitably in all social and economic development initiatives of the government. To the maximum extent possible, these broader social and economic development initiatives should be designed and delivered in a way which provides greatest support to those in greatest need. In this respect, native people should benefit from all major social and economic development priorities of the government.

The Government's Long-Term Goals

In July 1985, Cabinet directed all ministries to prepare strategic plans for review by the Premier in December of the same year. The plans were to set out the longer term goals, objectives and policies each ministry believes should be adopted by the government. In addition to any pertinent issues in each ministry's particular field of responsibility, three major broad initiatives of the government were to be highlighted:

- providing ***excellence in education***
- assisting the adjusting to the ***post-industrial information society***
- responding to the impacts of ***demographic changes*** on the Ontario social and health care systems

Each of these three major initiatives has direct relevance to native economic development:

- The ***quality of education*** in Ontario must surely be measured, at least in part, in terms of the accessibility and relevance of formal education to native people; higher levels of attainment in the formal education system (with appropriate native relevance and/or control) is one of the major vehicles by which native people can expect to improve their economic and employment prospects.

- To avoid even further entrenchment of native people in the lower socio-economic status in Ontario, greater efforts must be made to increase ***opportunities for native people in new forms of technological and industrial processes***; accelerated efforts to prepare native people for post-industrial society may in fact prove to be a way of breaking out of the present cycle of dependence.

- The native population experienced a post-war "baby boom" several years after that of the rest of society in Ontario; the recent entry of the resulting disproportionately large native youth cohort into the working-age population has and will continue to place heavy pressure on native communities as a result of rapid family formation, increased demand for housing, and competition for scarce jobs. Accelerated support is needed to ensure ***successful participation of native youth in meaningful and rewarding jobs***, rather than continued discouragement, and entrenched unemployment.

Economic Development Priorities and Initiatives

The Government of Ontario has recently committed itself to several major economic development initiatives of direct relevance to native people:

- ***northern development***, a $100 million special program to support a wide range of developmental activities in the northern regions of the province, where native people constitute a significant portion of the total population, and an even greater portion of the economically disadvantaged population
- promotion of ***small business and entrepreneurship***
- enhancement of ***primary industries***, the ***services sector*** and ***tourism***
- ***employment equity***

In implementing initiatives such as those above, full consideration needs to be given to means by which appropriate levels of available resources and support can be targeted to the native people, in a manner which reflects their needs and opportunities relative to those of the rest of the population.

Intergovernmental Economic Development Agreements

Intergovernmental economic development agreements have to date, taken a variety of forms. The most all-encompassing mechanism of federal-provincial coordination is the ***Canada Ontario Economic and Regional Development Agreement (COERDA).*** The COERDA makes provision for annual meetings of ministers, subsidiary agreements, and memoranda of understanding (MOU). Current subsidiary agreements under COERDA are the Current subsidiary ***Canada-Ontario Tourism Development Agreement*** and the ***Canada-Ontario Forest Resource Development Agreement***.

Indian people have accessed small levels of funding from the subsidiary agreements emanating from the COERDA. The COFRDA contains an add-on portion of federal funding specifically for Indian lands. However, subsidiary agreements have not addressed unique native needs nor provided any provincial funds for this purpose.

Apart from the COERDA and its subsidiary agreements, there exists a sectoral bilateral agreement for the coordination of federal-provincial efforts to enhance the utilization and development of renewable natural resources. The ***Canada-Ontario Resource Development Agreement*** is unique, not only because it has existed since 1948, but also because it is the only federal-provincial cost-sharing agreement directed to the economic development of status Indians. The CORDA pre-dates the ERDA concept and has been renewed periodically, as required within the agreement, based on its success. Its relatively simple scope and regulations have provided the flexibility necessary to serve as a catalyst or start-up mechanism for innovative projects which do not meet the criteria of more conventional assistance programs. It is limited, however, in that it does not make provision for aboriginal people other than status Indians.

Greater attention needs to be paid to the potential of ERDAs (and related subsidiary agreements or memoranda of understanding) to provide for cooperation and cost-sharing between the federal and provincial governments on economic development initiatives that are either specifically targeted for native people, or are of particular importance and benefit to native people as a result of their geographic or economic circumstances. However, a policy which is confined to compelling the consideration of "native impact" in the context of developing non-native specific sectoral ERDA sub-agreements runs the risk of becoming a piecemeal and low profile approach. Future ERDA sub-agreements should be sensitive to native economic development; but ***any agreement which concerns native people exclusively should be developed through a tripartite process involving the province (including the Minister Responsible for Native Affairs), representatives of native people, and the federal government***.

X Implications

As outlined in the summary charts contained in ***Chapter VIII: Conclusions***, there are numerous gaps and deficiencies in current programs and services.

Adoption of a more relevant, comprehensive and coordinated government strategy for supporting native economic development, based upon the principles proposed in the preceding chapter (IX), will involve the following:

A. establishment of collective government strategies to ***help native people tackle specific obstacles and barriers*** to economic development

B. identification of specific ***new or enhanced program initiatives and responsibilities of individual ministries*** in support of native economic development

A. *Tackling Specific Obstacles and Barriers*

A key element of the province's economic development strategy for native people will involve tackling specific barriers and obstacles facing native people in their pursuit of economic development. The key strategic elements in this regard are as follows:

1. Education

An economic development strategy for native people must address specifically and directly the challenge of improving school attendance and educational attainment of native peoples. This will involve several responses:

- improved access to and control over education by native people
- specific strategies to encourage and support native children to stay in school
- provision of support for remedial education within the home or community environment and/or return to school for previous school leavers
- enhancement of programs aimed at improving adult literacy among native peoples
- enhancing the relevance and cultural sensitivity of educational approaches for native children
- provision of income, child care and/or other social support to school attendees who are faced with family financial obligations

2. Business Skills and Experience

To enhance the range, depth and relevance of business-related skills and experience of native workers - especially the young who are entering the labour market for the first time - several initiatives must be considered:

- provision of recognized training certification linked directly to industry associations and standards (i.e. rather than arbitrary government or quasi-government certification which is not respected in the work environment)

- linkage of training programs with job placement services

- enhancement of apprenticeship opportunities

- shift in the emphasis of training from the social services fields to entrepreneurship and specific business skills related to economic development

- ensure accessibilities for all (male/females, youth, rural and remote areas, etc.)

3. Investment Capital

Several problems need to be overcome:

- racism and discrimination in the investment and lending markets

- lack of access to conventional investment and lending sources because of geographic isolation, lack of business awareness of native conditions and opportunities, and similar factors

- limitations on the use of reserve lands and other fixed assets as collateral for business ventures

- inadequate personal and family equity for investment and business development purposes

Several responses are required:

- improved public relations, awareness and consciousness-raising with mainstream business community leaders to improve prospects for native access to mainstream financial sources
- creation of native-owned and controlled financial institutions to pool available native capital, to enhance delivery and responsiveness to native investors, and to provide a vehicle for joint ventures with non-native financial and business interests
- increase the availability of loan funds, loan guarantees and surety bonding support mechanisms (e.g. through native-owned and controlled financial and development institutions)
- promotion of native business opportunities to encourage joint ventures, licensing arrangements and other forms of collaboration both amongst native business interests, and with the mainstream economy

4. Access to Labour Markets

Geographic and perceptual isolation from labour markets hampers natives from securing meaningful jobs while residing in their home communities. Wherever possible, the response should be to:

- enhance community-based employment prospects through such initiatives as import substitution (i.e. development of supplier capability on the part of natives to meet their own needs for goods and services from within community resources, rather than through importation from outside communities), and attraction of new business ventures and opportunities located within or adjacent to native communities (e.g. location of industries on Indian reserve lands)
- the above strategies might be reinforced through strategic industrial and government location strategies for the province as a whole, especially in the northern and more remote parts of the province

- acceleration of appropriate transportation infrastructure programs to provide access roads, air and water linkages to the mainstream economy - especially in areas where improved transportation linkages would stimulate local business opportunities and/or improve physical access to employment situations outside the native community (even if only on a seasonal basis to complement other sources of income)

- enhancement of job placement services to improve the penetration of native peoples into the mainstream labour markets, wherever appropriate

5. Access to Commodity Markets

In a similar fashion to the above, improved transportation linkages would enable native communities to gain access to larger commodity markets. This would have two effects. First, it would improve native access to goods and services required for local consumption for those items which cannot realistically be provided by the communities themselves. This would have the effect of reducing expenditures on necessity goods by lowering transportation costs and widening the scope of competition for such goods and services. At the same time, it would provide native communities with better access to materials which might be used in processing, assembly or construction of products for re-sale. Most importantly, however, it would provide better access to lucrative domestic and international markets for native-produced products.

A parallel strategy would involve the development of so-called "high order" specialized goods and products produced by native communities. These are products which, due to their unusual nature, command large unit prices which are not significantly affected by transportation costs. Examples might include arts, crafts, traditional native foods, herbal medicines, etc. which can enjoy high prices on Canadian and international markets.

An additional response might include greater support for native institutions involved in marketing and promotion of native products.

Other responses may include promotion of subsistence economies in some communities to render their isolation less severe, and to reduce their dependence on external markets for either purchase or sale of goods and services.

6. Community and Commercial Infrastructure

In communities where there are significant development opportunities, more support may be required for the development and/or operating of community and commercial infrastructure such as warehousing, transportation facilities, access to energy sources, provision of sewer and water facilities, etc. This would include both support for the design and construction of new infrastructure, as well as training and financial assistance to enable communities to carry out their own operations and maintenance of community facilities - thereby avoiding past problems of community infrastructure falling into disrepair prematurely.

7. Access to Resources

Native persons have, whether intentionally or not, been excluded from access to considerable natural resources which could otherwise greatly enhance the scope for economic development and self-reliance. For example, forest management agreements in Ontario have granted timber rights exclusively to five major companies. Furthermore, a 1924 agreement between Canada and Ontario declared that all reserves in Ontario should be administered for the benefit of the bands to which the lands were set apart, but that one-half of the "consideration payable, whether by way of purchase money, rent, royalty or otherwise" in respect of any mining disposition should be paid to the province of Ontario (the exception being reserves set apart pursuant to Treaty 3, 1873). While the agreement was in force, it considerably diminished the attractiveness of reserves for mineral exploitation. While the 1924 agreement has been replaced by a new agreement which provides full financial incentive for Indians to develop their mineral resources, there is now a need to promote awareness of the agreement, and to support mineral development planning and feasibility assessment.

Additional initiatives might include:

- expanded and/or new access to forestry, fishing, wildlife and similar resources for the benefit of native people
- speedy resolution of outstanding native claims relating to land and other resources
- recognizing, as an interim measure (viz claims resolutions), preferential native access to natural resource development in appropriate regions

8. Access to Technology

Although the majority of native businesses have been identified as either traditional pursuits or conventional manufacturing, service and processing enterprises, it should also be appreciated that there is considerable scope for native participation in high-technology industries and/or adoption of newer and more sophisticated approaches to conventional enterprises. Since most natives are not encumbered with existing industrial plant and equipment, it is possible for them to shift immediately and directly into new technologies, provided they have adequate access to technology transfer. Since native people are active in public administration and rely heavily upon communication and contacts among widely disparate communities, they are proving to be an excellent market for "smart office technology". Native communities in rural and remote areas may well be the prime spawning grounds for advanced telecommunications technology applications. There is no reason why native businesses and consultants could not take advantage of their familiarity and expertise in such fields. Training strategies need to recognize the capacity and willingness of native people to adopt sophisticated technology for commercial and industrial purposes.

B. *Potential Implications for Individual Ministries*

Eventual adoption by the Government of Ontario of the economic development framework outlined in this paper will have long-term implications for provincial ministries, requiring them to review their programs and related delivery mechanisms to better respond to native economic development needs and circumstances. Following are a series of initial ideas to stimulate ministry review and follow-up:

Ontario Native Affairs Directorate

- continue to serve as policy advisory group to Cabinet Committee on Native Affairs
- facilitate and coordinate native affairs policy, including economic development initiatives (policy and program coordination, priority planning and budgeting, review of program delivery mechanisms and processes)
- refine and monitor implementation of the proposed corporate native economic development principles
- initiate planning and negotiation of potential Economic and Regional Development Agreement (ERDA) framework with the federal government
- promote and support accelerated settlement of land and other claims
- help ministries to develop their capabilities for promoting and delivering native economic development programs
- establish and operate an appropriate native database and related clearinghouse, public communication and information service operations

Ministry of Agriculture and Food

- expand support for, and deliver Ministry programs and services (such as tile drainage and farm extension services) through the Indian Agricultural Program of Ontario (IAPO)

- develop native-specific technical advisory support and information to native farmers

- provide financial and technical support for an accelerated assessment of the land use potential of Indian reserves and other Crown or adjacent lands accessible to native farmers and/or potential farmers (including conventional agriculture as well as unique native farming and northern agriculture, such as wild rice, domesticated wildlife raising, and hothouse gardening)

- extend the Agri-North initiative, including establishment of a specific native component for program delivery

- provide research and support for the native farm community, including product development, marketing, production practices, etc.

Ministry of Citizenship and Culture

- expand the role of the Native Community Branch in facilitating and supporting native economic development, through the following means:

    - serving as an operational point of contact at the field level (whether regional organizations, communities or individual entrepreneurs) to facilitate other provincial ministries and the private sector in dealing with native communities

    - playing a special front-end developmental role in assisting native communities in identifying economic development needs and opportunities; supporting feasibility studies; developing and evaluating new/pilot programs or projects; planning and assessing potential involvement and support from a variety of provincial ministries; and, where appropriate, assisting native people in gaining access to programs and services at the federal and provincial levels where it is not feasible or practical for them to do so directly

    - facilitating the coordination of federal and provincial programs in support of native economic development at the community level
    - promoting broader awareness of, and sensitivity to, native economic concerns on the part of other mainstream government programs and services
    - encouraging and supporting direct contact by native people with other ministries, including provision of information and clearing-house services on available economic programs at an operational level

- develop a native component of the Ministry's adult literacy initiatives

- develop native-specific heritage development programs/initiatives with an economic and tourism flavour (Heritage Branch)

- recognize and respond to sacred/heritage and historic sites, including adoption of specific legislation governing their use and protection

Civil Service Commission/Human Resources Secretariat

- expand and enhance the government's employment equity strategies to ensure full application to natives in general and native women in particular

- review systemic discrimination and other barriers to the involvement of native men and women in the Ontario Civil Service in all aspects of hiring, recruitment, training, development, compensation, and career advancement

- ensure appropriate consideration of non-formal education and life skills in recruitment and selection policies and practices

- expand opportunities for utilization of native consultants in the fulfillment of government workload requirements

Ministry of Colleges and Universities

- in collaboration with the Ministry of Skills Development, develop a native training and advanced education strategy
- emphasize the accessibility of available programs, and accelerate/ reinforce initiatives aimed at increasing participation of native people in post-secondary education
- strengthen and improve career advisory services to native students
- enhance outreach and distance-learning approaches to post-secondary education, including correspondence and satellite programs in the north and other rural and remote areas
- review curriculum and materials to ensure cultural relevance and sensitivity to native people
- encourage community colleges and universities to work closely with native people to:
    - increase opportunities for native involvement in training and research
    - enhance business consulting services available to native entrepreneurs and communities
- explore the feasibility and utility of establishing a native-specific post-secondary educational institution
- support an appropriate shift in emphasis to entrepreneurial and business-oriented education, while retaining appropriate levels of support for community and social-service oriented education

Ministry of Community and Social Services

- establish an income supplement program for native trappers pursuing traditional pursuits

Ministry of Education

- develop initiatives to assure broader external recognition and certification of native training and education
- enhance native control of their own educational system, including enhancement of native control over curricula to ensure cultural relevance
- review, and approve where appropriate, mechanisms to provide financial support to native students - especially those with family responsibilities (whether as single parents, mothers, or students burdened with the financial responsibility of caring for siblings and unemployed/incapacitated parents)
- enhance curricula to provide support for the development and retention of traditional skills
- expand and improve programs oriented toward adult literacy and education
- provide community support services including early counselling and facility assistance for native students to maximize school attendance and educational attainment, and to improve career/educational planning
- explore means to engage native student involvement in computer-based education and computer literacy skills

Ministry of Energy

- provide assistance with small hydro and alternative energy source projects, including feasibility studies, testing, start-up and development (including biomass and alternative fuels)
- expand, and enhance coordination of northern remote electrification
- provide assistance with energy conservation measures in native communities to reduce dependence on imported energy
- provide training for native management of appropriate hydro installations (whether Ontario Hydro facilities or potential local native facilities)
- strengthen and improve consultation and planning processes with native communities concerning development projects and their socio-economic and ecological impact
- direct Ontario Hydro and other utilities to employ native people and businesses in construction, operation and maintenance of facilities in areas where there are native peoples

Ministry of the Environment

- ensure adequate opportunity for native people to have timely and meaningful input in environmental and socio-economic impact assessment processes, including reviews of major development projects in or near native communities
- target efforts to protect the natural environment in areas where native communities and lands are threatened, including water systems and wildlife habitats threatened by domestic and industrial pollution
- increase opportunities for native participation in the provision of environmental conservation and protection services, whether through employment or contract positions

Ministry of Government Services

- develop and apply special procurement policies and strategies to increase native business and employment opportunities in the provision of government services, including such activities as operation and maintenance of government office facilities, government construction, and provision of goods and services (e.g. clerical and technical workers, native art for use in government buildings, catering services, etc.)

- provide specific support for the above through such activities as locally-targeted advertising in public tendering processes (so as to allow for participation of smaller local native firms), provision of specialized technical workshops and training courses, and the maintenance of appropriate clearinghouse/data bank on native suppliers and contractors capable of meeting government service requirements

Ministry of Industry, Trade and Technology

- develop special program components giving focus to small business development for native people

- explore the feasibility and appropriateness of the creation of special components of the Ontario Development Corporation catering to native needs, including key regions and sectors of the province

- review and assess the viability of various innovative measures to promote investment and economic development in native communities and in regions where there are large concentrations of native people, including the provision of "soft services" (e.g. front-end planning and feasibility testing), and incentives for native business development and/or expansion

Ministry of Intergovernmental Affairs

- provide support for federal-provincial negotiations in native economic development issues
- continue to seek clarification of federal/provincial fiscal responsibilities for services to native people

Ministry of Labour

- review and clarify application of existing provincial legislation governing Indian reserves (e.g. labour and health & safety standards)
- recognize band by-laws as instruments to develop and administer local labour standards and practices
- in collaboration with the Ministry of Skills Development, respond to the special needs of natives for apprenticeship, certification programs

Ministry of Natural Resources

- enhance native access to resources (forestry, trapping, hunting & fishing, wild rice)
- initiate special education and training programs for native people in areas such as wildlife management, resource conservation, and forestry
- support native sectoral programs such as the Indian Forestry Development Program and the Indian Wild Rice Development Agency Inc.
- recruit native workers in meaningful resource management positions
- in collaboration with other relevant ministries, provide support for detailed assessment of the resource-related development capacity of Indian reserves and of Crown lands close to native population concentrations, including special attention to renewable resources

- support research and assessment of potential "value-added" spin-off benefits from greater native involvement in all aspects of the trapping and fur industries

Ministry of Northern Development and Mines

- support native participation in, and benefits from northern economic development

- ensure appropriate native components in all northern development issues, commensurate with the demographic representation of native people in the population and the relative need for improved economic participation of native people

- in collaboration with the Ministry of Natural Resources, provide support for detailed assessment of the resource development capacity of reserves and relevant Crown lands, including special attention to mineral development

- continue, and reinforce programs enhancing access throughout the north (roads, airports, etc.)

- support greater utilization of commercial and industrial infrastructure support programs for native people (e.g. Nipissing Industrial Park)

- promote and support better linkages between the native and non-native business sectors in the north, including opportunities for native hiring and sub-contracting, as well as joint ventures

Ministry of Revenue

- in collaboration with the Ministry of Treasury and Economics provide assistance in the review and analysis of fiscal and tax measures to develop and support improved native economic development

Ministry of Skills Development

- in collaboration and/or consultation with the Ministry of Colleges and Universities, develop a native training and advanced education strategy
- in developing and implementing appropriate skill development and on-the-job training programs for native people, place particular emphasis on the special needs of native women and youth
- designate native-specific components in all programs, especially Ontario's Training Strategy
- ensure more appropriate and effective linkage between training and skill development programs and job placement/recruitment initiatives
- increase on-the-job and internship approaches to skills development which maximize opportunities for native people - especially women - to develop skills and acquire business experience in the home and community settings
- increase the overall emphasis on entrepreneurial skills, while retaining an appropriate level of attention to social and community service skills and functions
- explore the feasibility of targeted skills development in the high technology sectors for communities where there is good potential to either locate or gain access to technology design and assembly operations

Ministry of Tourism and Recreation

- develop and initiate native-specific ventures in the tourism and recreation fields, involving feasibility studies, management training, market analysis and appropriate capital investments

- establish mechanisms to ensure that native tourism and recreation facilities/amenities/attractions are included in appropriate promotional materials and tourism information services

- provide training and public information support to demystify the native culture, so as to increase public interest in visiting native communities and Indian reserves which welcome visitors and tourists

- support the development of mechanisms and processes for promoting native-related tourism, including possible native tourism associations and means for linking native tourism entrepreneurs with broader tourism organizations, opportunities and strategies

Ministry of Transport and Communications

- support regional and native-oriented development initiatives of other ministries through the extension and/or improvement of transportation and communication facilities/linkages

- enhance opportunities for native participation in the construction, operation and maintenance of provincial transportation and communications facilities, whether on a staff or contract basis

Ministry of Treasury and Economics

- in collaboration with the Ontario Native Affairs Directorate, assist in the planning and negotiation of appropriate ERDA sub-agreements, Federal-Provincial Memoranda of Understanding or equivalent with the federal government to establish improved coordination, program delivery and cost-sharing of federal and provincial programs; this may be achieved whether through native-specific sub-agreements (or equivalent) or via native components of general sub-agreements (or equivalent)

- assist in proposals designed to increase provincial resources allocated to native economic development

- assist in analysis of regional economic factors and trends affecting native conditions and prospects in all regions and sectors of the province

- assist the Ontario Native Affairs Directorate in the creation and establishment of an appropriate database and clearinghouse on native social, economic and business conditions, prospects, and related programs/expenditures

- establish a government-wide financial data system to monitor expenditures on services to native people

- in consultation with the Ministry of Revenue, explore the feasibility of tax incentives and concessions to the private sector to encourage joint ventures and collaboration with native entrepreneurs and businesses

Ontario Women's Directorate

- continue to play a major advisory and policy coordination role in all aspects of native economic development involving the concerns, needs and priorities of native women

- promote improved awareness of native women's issues amongst key provincial ministries

- continue to provide a major link between native women's groups and the provincial government

- enhance its grants program to support whereby women to develop their capacity to participate actively in economic development

Other Ministries (Health, Housing, Municipal Affairs, Community and Social Services)

- develop appropriate native-specific support programs and strategies to enhance living and working conditions in native communities so as to free up community capital, provide stable community conditions, and ensure a healthy and employable native workforce
- establish continuing linkages and sharing of information on all aspects of native community development involving comprehensive approaches to social and economic development

Appendix A: Research Consultations

GOVERNMENT OF CANADA

Indian and Northern Affairs

Economic Development Program

- Don Allen (Assistant Deputy Minister, Economic Development)
- Paul Koriya (Acting Director, Client-Government Industry Coordination)
- Allan Brown (Chief, Management Services, Ontario Region)
- John Conduit (Director, Economic Development, Ontario Region)
- Steve Bombarry (Acting District Manager, Ohsweken)
- Robert Brant (Ontario Regional Director of Finance)
- Gordon Miller (Ontario Regional Information Officer)
- Ilse Ducharme (Senior Policy Analyst, Ontario Region)
- Barry Irwin (Indian Economic Development Program)
- Rhyce Phillips (Manager, Employment and Training, Ottawa)
- Jean-Luc Blais (Director, Indian Minerals East Directorate)
- Simon Brascoupé (Policy Analyst, Economic Development)

Indian Services

- Pat Kelly (Indian/Inuit Management Development Directorate)

Regional Industrial Expansion

- Pam Devine (Senior Advisor, Native Economic Development Program)
- Terry Forth (Senior Policy Advisor, Native Economic Programs)
- David C. Dallimore (Director General, Planning and Regional Development, Ontario Region)

Employment and Immigration

Native Economic Development Directorate

- Phil Godon (Director)
- Betty Liddington (Policy Analyst)

Canadian Jobs Strategy

- Peter Hicks (Executive Director)

Employment Operational Services Branch

- Terry Joly (Outreach Program)

Employment Equity

- Jim Whitford (Director, Legislated Employment Equity)

Public Service Commission

- E. Blondin-Townsend (Director, Indigenous Participation Programs)

Farm Credit Corporation Canada

- Al Brooks (Information Officer)

Fisheries and Oceans

- Ted Cowan (Ontario Region)

Agriculture Canada

- Ron Dodd (Acting Chief, Farm Improvement Loans)
- Kenneth Trudel (Chief, Operating Programs and Special Studies)
- Carl Stewart (Crop Production Division)
- Bob Haig (Canadian Forestry Service, Sault Ste. Marie Regional Office)
- Ray Hirvonen (Canadian Forestry Service, Forestry Officer, Federal Lands)
- Dr. V.N.P. Mathur (Canadian Forestry Service, Scientific Advisor, Forest Products)

GOVERNMENT OF ONTARIO

Ontario Native Affairs Directorate

- Tim Eger (Senior Policy Advisor)

Ontario Women's Directorate

- Audrey Swail (Policy Advisor)

Ministry of Citizenship and Culture

- Fred Boden (Director, Native Community Branch)
- Ian Hilton (Senior Economic Development Consultant, Native Community Branch)
- Carol Murphy (Toronto Supervisor, Native Community Branch)
- Mark Douglas (Orillia-Parry Sound, Native Development Consultant, Native Community Branch)
- David Powell (Consultant, Regional Services)
- Walter Sunahara (Senior Associate Officer, Community Arts Development Office, Ontario Arts Council)

Ministry of Agriculture and Food

- Dirk Buth (Policy Advisor, Economics Branch)
- Sharon van Son (Programs Coordinator, Farm Assistance Programs)
- Richard Heard (Manager, Southwestern Region)
- Chuck Jacobs (Manager, Northern Region)
- Scott Robinson (Policy Advisor, Farm Assistance Programs)
- Norm Watson (Ontario Young Farmer Credit Program)

Ministry of Northern Development and Mines

- Bart Feilders (Policy Advisor, Policy Planning Branch)

Ministry of Tourism and Recreation

- Pat Taylor (Senior Policy Advisor, Strategic Policy Branch)
- David McBride (Policy Advisor, Strategic Policy Branch)
- Bill Hunter (Planning Consultant, Industry Development)
- Tom Adamchick (Regional Director, Northwest Ontario)
- Ray Wittenburg (Director, Recreational Branch)

Ministry of Treasury and Economics

- Hank Gosar (Economist, Sectoral and Regional Policy Branch)
- Paul Clarry (Economist, Sectoral and Regional Policy Branch)

Ministry of Skills Development

- Walter Tuohy (Manager, Access Policy Unit, Policy and Planning Branch)
- Bruce Green (Policy Analyst, Access Policy Unit, Policy and Planning Branch)
- Andra Takacs (Policy Analyst, Access Policy Unit, Policy and Planning Branch)
- Paul Evans (Policy Analyst, Federal-Provincial Planning Unit)
- Ken McKay (Senior Manager, Youth Employment Services)
- Lisa Flannery (Summer Experience Supervisor, Youth Employment Services)

Ministry of Natural Resources

Lands and Waters Group

- Dr. Paula Warwick (Resource Economist)
- David McNab (Senior Indian Land Claims Researcher, Office of Indian Resource Policy)
- Peter Brook (Coordinator, Resource Access Section)
- Lloyd Fiegyel (Policy Development and Field Advisory Unit)
- Lilly Williams (Administrator, Ignace District Office)

Outdoor Recreation Group

- Tim Millard (Executive Coordinator)
- Ken Chambers (Northwestern Regional Office)
- John Tilt (Commercial Development Coordinator, Fisheries Branch)
- Al Stewart (Ontario Negotiator, Indian Fishing Agreement)

Forest Resources Group

- Ken Armson (Executive Coordinator)
- John Kus (Forest Management Agreement Officer)
- John Goodman (Director, Aviation and Fire Management Centre)

Ministry of Industry, Trade and Technology

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- David Goodyear (Information Officer, Ontario Development Corporation)
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- George Moore (Manager, Small Business Advice and Counsel Section)
- Mary Kirley (Economist, Strategic Planning Secretariat)

Ministry of Colleges and Universities

- Don Bethune (University Affairs Officer, Program and Policy Development)

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- G.J. Barker (Corporal, Indian and Municipal Policing Branch)

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- Ian C. Campbell (Executive Director, Strategic Policy Secretariat)
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Wayne Martin Program Manager	Ontario Indian Agricultural Program
John Barker Interim Director	Northern Hides Incorporated
Ken Hill Vice President	Dome Mines Group

Appendix B: Interministerial Committee on Native Economic Development

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Senior Policy Advisor
Ontario Native Affairs Directorate

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Ministry of Agriculture and Food

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Volume

2

Towards a Framework For Native Economic Development Policies And Programs In Ontario

A Discussion Paper
Prepared by:

J. Phillip Nicholson, Policy and Management Consultants Inc. (Ottawa)

and

Onchiota Inc.
(Deseronto)

For

Ontario Native Affairs Directorate
Government of Ontario

VOLUME II
APPENDICES C D & E

TOWARDS A FRAMEWORK FOR NATIVE ECONOMIC DEVELOPMENT POLICIES AND PROGRAMS IN ONTARIO

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February 11, 1987

Contents

Page

Volume I

Executive Summary

I Introduction 1

II Key Terms and Concepts 13

III Context 19

IV Socio-Economic and Business Profile 42

V Development Opportunities 55

VI Economic Programs 87

VII Constraints to Development 111

VIII Conclusions 125

IX Proposed Framework for Government Support to Native Economic Development 146

X Implications 168

Appendix A: Research Consultations

Appendix B: Interministerial Committee Representation

Volume II

Appendix C: Socio-Economic and Business Profile: Details

Appendix D: Economic Programs: Details

Appendix E: Future Information and Research Requirements

Appendix C: Socio-Economic and Business Profile

INTRODUCTION

This chapter provides a statistical overview and analysis of socio-economic conditions and circumstances among native people as of the beginning of this decade. Most of the data have been derived from special customized tabulations based on the 1981 Census of Canada, prepared by Statistics Canada on behalf of Indian and Northern Affairs Canada (INAC). The data have been kindly made available to this project through the Research Branch of INAC.

The 1981 Census included, for the first time in recent history, specific questions related to native status. As with all census questions, the questions related to native status required self-identification on the part of persons enumerated.

It is recognized that certain native organizations and groups feel that the estimates of native people in Ontario (as in other provinces and territories) obtained from the 1981 Census do not fully reflect the number of persons of aboriginal descent. In particular, these organizations feel that the estimates of non-status Indians and Métis are too low.

Without passing judgement on the validity of native claims regarding the accuracy of the 1981 Census, the consultants involved in the preparation of this discussion paper note that the Census data constitute the most comprehensive, accurate and reliable estimates available of the native population in Canada. For those who chose, for whatever reason, to identify themselves as status Indians, non-status Indians, Métis or Inuit, the 1981 Census data provide the most comprehensive and detailed profile of economic conditions and circumstances of native peoples ever prepared in Ontario or elsewhere in Canada.

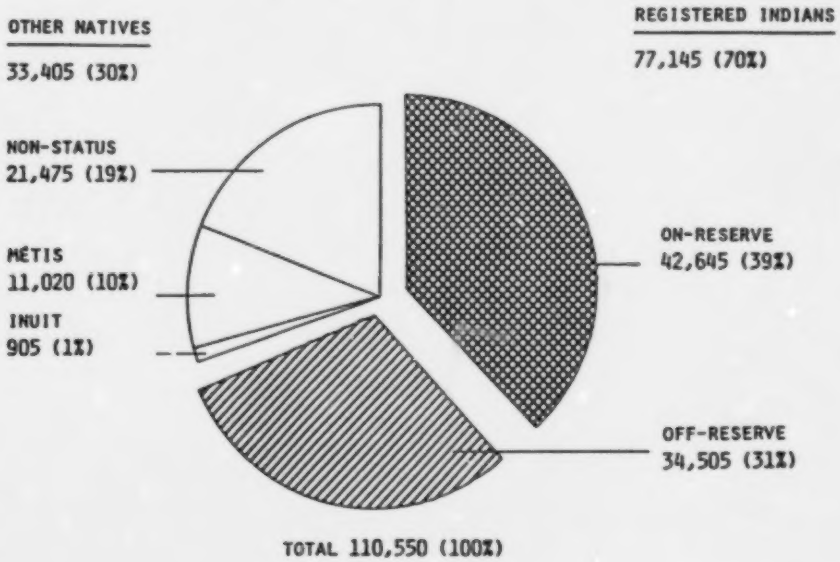
NATIVE PEOPLES IN ONTARIO

According to the 1981 Census of Canada, there were a total of 110,545 native people living in Ontario as of 1981. This represents slightly more than one-fifth (22%) of the total native population in Canada and 1.3% of the total (i.e. native and non-native) population in the province.

Three-fifths (70%) of the natives living in Ontario are status Indians, for whom the Government of Canada has special obligations and responsibility. In practical terms, however, most of the federal services for status Indians are focused on those normally residing on-reserve. The on-reserve population accounts for only slightly more than one-half of all status Indians in the province. As a result, three-fifths (61%) of all natives in Ontario live outside a reserve situation - whether in large urban centres, smaller mixed or predominantly native communities, or in rural areas.

There are sizeable numbers of non-status Indians (21,475) and Métis (11,020) in the province. The number of Inuit (905) is relatively small. The number of non-status Indians, Métis and Inuit almost exactly equal the number of status Indians living off-reserve.

NATIVE POPULATION OF ONTARIO, 1981



SOURCE: INAC CUSTOMIZED DATA BASED ON 1981 CENSUS OF CANADA.

For natives and non-natives alike, males account for 48% of the population and females 52%.

With the exception of Inuit, Ontario accounts for a sizeable proportion of all natives in Canada:

- one-fifth of all natives in Canada
- one-third of non-status Indians
- one-quarter of status Indians
- one-tenth of Métis
- one-twentieth of Inuit

ONTARIO NATIVES AS A PERCENTAGE OF ALL NATIVES IN CANADA, 1981

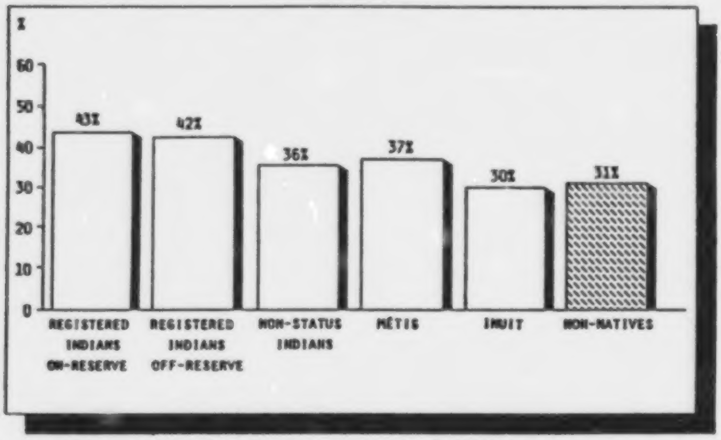
	# IN ONTARIO	% OF CANADIAN TOTAL
REGISTERED INDIANS	77,145	24
ON-RESERVE	42,645	22
OFF-RESERVE	34,505	28
NON-STATUS INDIANS	21,475	33
MÉTIS	11,020	12
INUIT	905	4

SOURCE: INAC CUSTOMIZED DATA BASED ON 1981 CENSUS OF CANADA.

Age Distribution

As of 1981, the native populations in Ontario demonstrated a generally "younger" population distribution than the non-native populations. For example, 60% of natives in Ontario were under the age of 25 - compared to only 40% of non-natives. This means that the 1980s and 1990s will see a significant proportion of the native population steadily progressing through school age and early adulthood, with attendant pressures related to educational attainment, family formation, housing, and entry into the work force.

DEPENDENT POPULATION,
NATIVES AND NON-NATIVES,
ONTARIO, 1981



NOTE: DEPENDENT POPULATION = POPULATION 0-14 YRS. AND POPULATION 65 YRS. AND OVER, AS A % OF THE TOTAL POPULATION.

SOURCE: INAC CUSTOMIZED DATA BASED ON 1981 CENSUS OF CANADA.

When the elderly populations are added to youth, the total dependent population (0-14 years inclusive plus 65 years and over) as a percentage of the total population is significantly higher among natives than non-natives. Only the Inuit in 1981 had a lower dependent population than non-natives. The proportion of the population which is considered of dependent age is 1.4 times higher among Indians on-reserve (43%) and Indians off-reserve (42%) than among non-natives (31%).

The large dependent population among native peoples places extraordinary burdens on those of working age to provide sustenence and support to those either too young or too old to work. This situation is exacerbated by the lower average levels of employment and income among natives of working age.

NATIVE AND NON-NATIVE POPULATION OF ONTARIO, 1981

AGE GROUPS	REGISTERED INDIANS			OTHER NATIVES				TOTAL NATIVES	NON-NATIVES
	On-Reserve	Off-Reserve	Total	Non-Status	Métis	Inuit	Total		
0 - 14 yrs.	16,310	13,585	29,900	7,245	3,905	270	11,430	41,330	1,843,215
15 - 24 yrs.	9,585	7,860	17,445	4,760	2,595	235	7,595	25,025	1,566,660
25 - 44 yrs.	9,495	9,365	18,860	6,705	3,290	295	10,285	29,140	2,491,465
45 - 64 yrs.	5,140	2,885	8,020	2,290	1,050	70	3,410	11,430	1,721,705
65 yrs. and over	2,105	805	2,915	485	180	*	685	3,620	800,665
TOTAL	42,645	34,505	77,145	21,475	11,020	905	33,405	110,550	8,423,715

Source: INAC Customized Data Based on 1981 Census of Canada.

Regional Distribution

Significant numbers of native people are located in virtually every region of the province. For example, in 1981, 35 of the province's 53 census divisions (i.e. two-thirds) showed native populations of 500 or more. In fact, fully one-half of the census divisions had native populations of 1,000 or more.

As summarized on the map which follows, there are approximately 46,000 native people in northern Ontario (42% of the provincial total) and 64,000 (58%) in southern Ontario. (For the purposes of this discussion paper, northern Ontario is defined as the region from Parry Sound District and Nipissing District north and northwestward.

In northern Ontario, an appreciable number (9,000, representing 8% of the total provincial population and approximately one-fifth of northern natives) are located in the broad Sudbury-centred region including Parry Sound, Nipissing, Timiskaming, Manitoulin, Sudbury District and Sudbury Regional Municipality. The districts to the north and northwest account for fully one-third (34%) of the total native population in Ontario. This includes Algoma, Cochrane, Thunder Bay, Kenora and Rainy River Districts.

The 12,000 native people located in central and east regions of southern Ontario account for more than one-tenth (11%) of the total provincial native population. Of these, one-third are located in Ottawa-Carleton Regional Municipality, and an additional one-quarter in Hastings County.

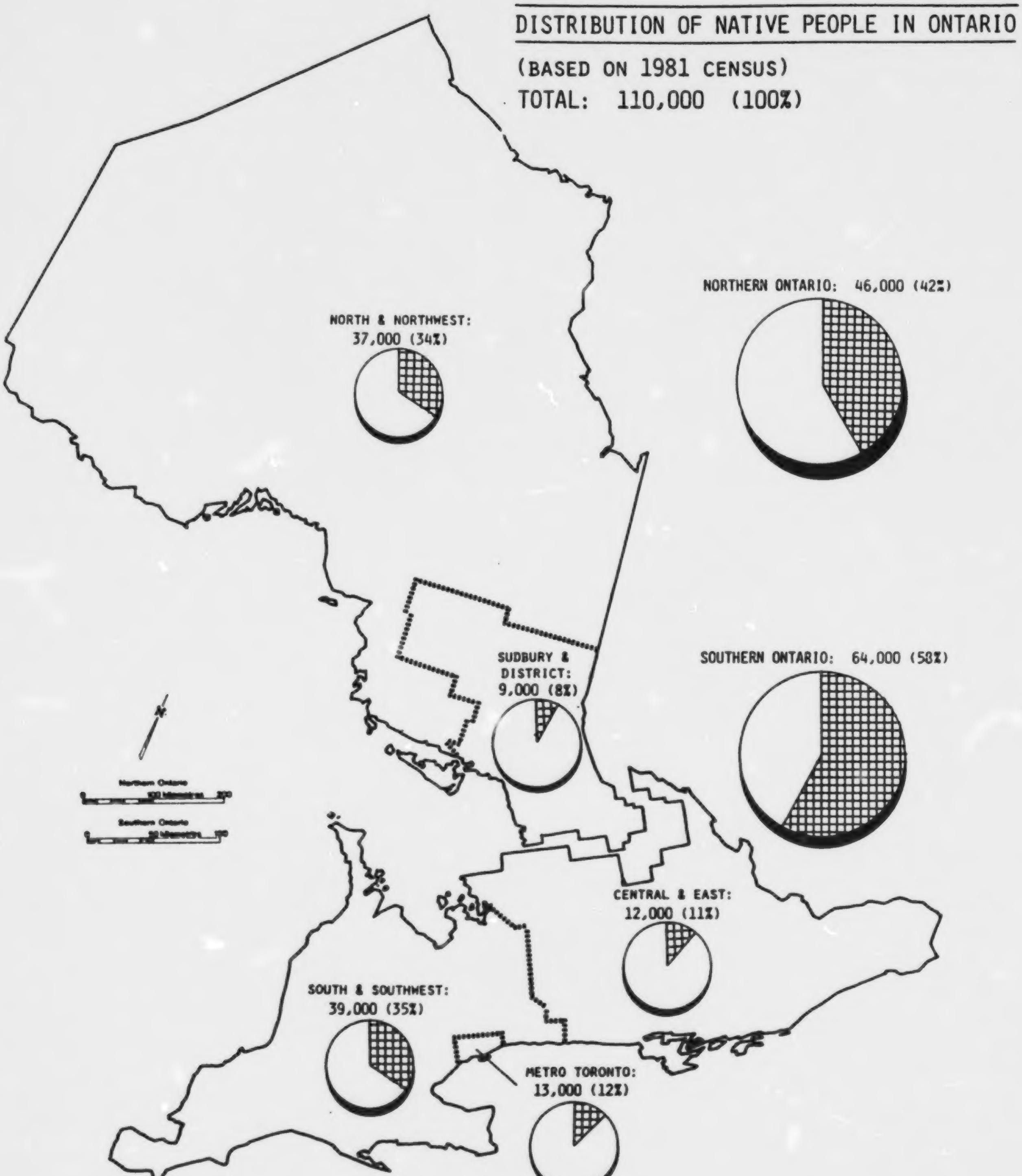
Almost one-half (47%) of the province's total native population is located in the well-developed south and southwestern regions, including metropolitan Toronto. A total of $13,000 (representing 12% of the total provincial population of native people) is located in metropolitan Toronto alone.

Native people account for appreciable proportions of the total population in several areas of the province, most notably:

. Manitoulin District:	31.3%
. Kenora District:	27.1%
. Rainy River District:	10.2%

- Cochrane District: 6.4%
- Brant County: 5.0%
- Thunder Bay District: 4.6%
- Algoma District: 4.2%
- Sudbury District: 3.6%

(Native people account for 1.3% of the total population in Ontario.)



DISTRIBUTION OF NATIVE PEOPLE IN ONTARIO

(BASED ON 1981 CENSUS)
TOTAL: 110,000 (100%)

NORTHERN ONTARIO: 46,000 (42%)
NORTH & NORTHWEST: 37,000 (34%)
SUDBURY & DISTRICT: 9,000 (8%)
SOUTHERN ONTARIO: 64,000 (58%)
CENTRAL & EAST: 12,000 (11%)
SOUTH & SOUTHWEST: 39,000 (35%)
METRO TORONTO: 13,000 (12%)
N
Northern Ontario
Southern Ontario

DISTRIBUTION OF NATIVE PEOPLE BY CENSUS DISTRICT, 1981

Census District		Native People	% Total Population in Census District	% Natives in Ontario
57	Algoma District	5,405	4.2	4.9
29	Brant County	5,125	5.0	4.7
41	Bruce County	1,230	2.1	1.1
56	Cochrane District	6,180	6.4	5.6
22	Dufferin County	<500	–	–
05	Dundas County	<500	–	–
18	Durham Regional Municipality	2,020	0.7	1.8
34	Elgin County	<500	–	–
37	Essex County	1,795	0.6	1.6
10	Frontenac County	775	0.7	0.7
01	Glengarry County	<500	–	–
07	Grenville County	<500	–	–
42	Grey County	<500	–	–
28	Haldimand-Norfolk Regional Municipality	1,245	1.4	1.1
46	Haliburton County	<500	–	–
24	Halton Regional Municipality	1,080	0.4	1.0
25	Hamilton-Wentworth Regional Municipality	3,935	1.0	3.6
12	Hastings County	2,425	2.3	2.2
40	Huron County	<500	–	–
60	Kenora District	16,000	27.1	14.5
36	Kent County	970	0.9	0.9
09	Lanark County	<500	–	–
38	Lambton County	3,290	2.7	3.0
08	Leeds County	<500	–	–
11	Lennox and Addington County	<500	–	–
51	Manitoulin District	3,385	31.3	3.1
39	Middlesex County	3,990	1.3	3.6
44	Muskoka District Municipality	<500	–	–
26	Niagara Regional Municipality	2,305	0.6	2.1
48	Nipissing District	2,000	2.5	1.8
14	Northumberland County	645	1.0	0.6
06	Ottawa-Carleton Regional Municipality	3,320	0.6	3.0
32	Oxford County	<500	–	–
49	Parry Sound	970	2.9	0.9
21	Peel Regional Municipality	2,880	0.6	2.6
31	Perth County	<500	–	–
15	Peterborough County	1,500	1.5	1.4
02	Prescott County	<500	–	–
13	Prince Edward County	<500	–	–
59	Rainy River District	2,300	10.2	2.1
47	Renfrew County	1,060	1.2	1.0
03	Russell County	<500	–	–
43	Simcoe County	2,680	1.2	2.4

DISTRIBUTION OF NATIVE PEOPLE BY CENSUS DISTRICT, 1981 (cont'd)

Census District		Native People	% Total Population in Census District	% Natives in Ontario
04	Stormont County	1,015	1.7	0.9
52	Sudbury District	965	3.6	0.9
53	Sudbury Regional Municipality	2,025	1.3	1.8
58	Thunder Bay District	6,955	4.6	6.3
54	Timiskaming	710	1.7	0.6
20	Toronto Metropolitan Municipality	13,200	0.6	12.0
16	Victoria County	<500	-	-
30	Waterloo Regional Municipality	1,330	0.4	1.2
23	Wellington County	590	0.5	0.5
19	York Regional Municipality	995	0.4	0.9

Rural/Urban Location

Overall, natives in Ontario are much less urbanized than non-natives (50% of natives compared to 82% of non-natives lived in urban centres of 1,000 population or more in 1981). However, this pattern is heavily influenced by the status Indians who account for three-fifths of the total native population in the province. Excluding status Indians, "other natives" (i.e. non-status Indians, Métis and Inuit) tend to more closely approximate the urban-rural distribution of the non-native population. The major difference is that these other natives have a slightly greater tendency than non-natives to be located in rural areas and smaller urban centres. Among status Indians, however, almost two-thirds (62%) live in rural areas. Only one-fifth (22%) live in large centres of 100,000 population or more, compared to more than three-fifths (61%) of non-natives. These patterns have several important implications:

- Indians and other native groups have distinctly different locational patterns, meaning that service delivery is markedly different for each group

- natives tend to be less urbanized than non-natives, meaning that, in general, they have less access to employment and commodity markets, and have less access to the full range of social, commercial and government services conducive to choice and prosperity

NATIVES AND NON-NATIVES BY RURAL-URBAN RESIDENCE, ONTARIO, 1981

	NATIVES							
RURAL-URBAN RESIDENCE	**Registered Indians**		**Other Natives**		**Total**		**NON-NATIVES**	
	#	(%)	#	(%)	#	(%)	#	(%)
Rural	47,485	(62)	8,085	(24)	55,570	(50)	1,510,125	(18)
Urban	29,655	(38)	25,320	(76)	54,975	(50)	6,913,590	(82)
. 1,000 - 9,999	5,440	(7)	4,085	(12)	9,525	(9)	628,725	(7)
. 10,000 - 99,999	7,320	(9)	5,895	(18)	13,215	(12)	1,157,830	(14)
. 100,000 and over	16,900	(22)	15,340	(46)	32,240	(29)	5,127,035	(61)
TOTAL (Rural & Urban)	77,145	(100)	33,405	(100)	110,550	(100)	8,423,715	(100)

Source: INAC Customized Data Based on 1981 Census of Canada.

As of 1981, more than 33,000 native persons were concentrated in seven major urban centres in Ontario. This accounted for three-tenths of the total native population, including one-quarter of all status Indians in the province and almost one-half of other natives. The metropolitan areas of Toronto and Hamilton alone accounted for one-half of all natives living in the seven metropolitan areas, and almost one-fifth (16%) of all natives in the province. This means that, despite the general tendency for natives to reside in smaller centres and rural areas, a significant proportion of the native population is concentrated in a relatively few urban centres. Among the seven major metropolitan areas, however, natives account for no more than 3% of the total population in each area.

NATIVE POPULATION IN SEVEN MAJOR ONTARIO METROPOLITAN AREAS, 1981

	REGISTERED INDIANS	OTHER NATIVES	TOTAL NATIVES
Ottawa-Hull	2,095	2,285	4,380
Toronto	6,645	6,850	13,495
Hamilton	2,550	2,115	4,670
Sudbury	1,475	935	2,415
Sault Ste. Marie	1,485	1,025	2,510
Thunder Bay	1,935	1,235	3,170
London	1,680	685	2,370
TOTAL	17,865	15,130	33,010
% of Ontario Total	23%	45%	30%

Source: INAC Customized Data Based on 1981 Census of Canada.

Labour Force and Employment

The labour force participation rates of Indians both on-reserve and off-reserve are considerably lower than those of other natives and non-natives which in fact enjoy remarkably similar participation levels. Labour force participation is lowest among Indians living on-reserve, where only slightly more than two-fifths of Indians of working age were either employed or actively seeking employment at the time of the Census. Among Indians off-reserve the participation rate is three-fifths, compared to slightly more than two-thirds among other natives and non-natives.

The unemployment rates for Indians and other natives are more than double that of non-natives, and are highest among Indians living on-reserve. However, the official ***un***employment rates do not tell the entire employment picture since they are dependent on the labour force participation rates as well. A more meaningful picture is provided by an examination of the total employment rate, which measures the proportion of the working age population (15-64 years inclusive) which was employed at the time of the Census. Almost two-thirds of non-natives of working age were employed at the time of the Census, compared to only slightly more than one-third of Indians on-reserve and slightly more than one-half of Indians off-reserve. Almost three-fifths of other natives were employed.

Labour Force Activity

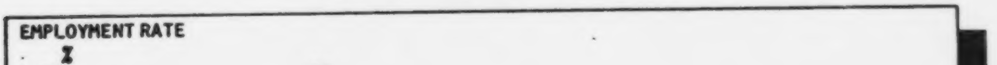
	Indians		Other Natives	Non-Natives
	On-Reserve	Off-Reserve		
Participation Rate (% of working-age)	43%	60%	67%	68%
Unemployment Rate (% of labour force)	16%	13%	12%	6%
Employment Rate (% of working-age)	36%	52%	59%	64%

Although non-wage and traditional pursuits are not included in the Census estimates, and may therefore paint a slightly better picture for certain native groups, it must also be recognized that natives experience not only lower levels of employment but also less reliable and financially rewarding forms of employment, including a greater tendency to be involved in:

- seasonal employment (the Census is carried out in the early summer when native employment is likely ***highest***)
- part-time employment, based on the number of hours worked per week
- lower-paying, less reliable and more hazardous forms of employment
- a situation of chronic or entrenched unemployment

For males and females alike, employment rates among natives are approximately two-thirds to three-quarters those of non-natives. The male/female disparity in employment levels is similar amongst Indians, other natives and non-natives; female employment rates among those 15 years and over are approximately two-thirds those of males.

EMPLOYMENT RATES,
NATIVES AND NON-NATIVES,
ONTARIO, 1981
(15 YEARS AND OVER)



SOURCE: INAC CUSTOMIZED DATA BASED ON 1981 CENSUS OF CANADA.

The problems of youth unemployment are appreciably greater among natives than among non-natives. As of the Census, only one-third of Indian and one-half of other native youths (15-24 years) were employed, compared to three-fifths of non-natives in the same age group. This is particularly serious given the fact that natives currently have a higher proportion of youth than do non-natives. For example, in 1981 more than one-third of the total native population (37%) was under 15 years of age, compared to only one-fifth (22%) of the non-native population. As this cohort matures and enters early adulthood, it will face increasing difficulties associated with finding jobs and assuming responsibilities of adulthood and family formation. If employment prospects are bleak over an extended period, there is the very real danger of young native workers becoming discouraged and entrenched unemployment resulting.

EMPLOYMENT RATES BY AGE, NATIVES AND NON-NATIVES, ONTARIO, 1981
(15 years and over)

AGE GROUP	REGISTERED INDIANS			OTHER NATIVES			NON-NATIVES		
	Males	Females	Total	Males	Females	Total	Males	Females	Total
15 - 24 yrs.	39%	29%	34%	60%	42%	51%	64%	58%	60%
25 - 44 yrs.	73%	45%	57%	86%	55%	70%	94%	66%	80%
45 - 64 yrs.	57%	31%	43%	75%	35%	54%	86%	49%	67%
65 yrs. and over	11%	4%	7%	14%	6%	9%	18%	6%	11%
TOTAL POPULATION 15 YRS. AND OVER	53%	35%	43%	73%	46%	59%	76%	51%	64%

Source: INAC Customized Data Based on 1981 Census of Canada.

Differences between rural and urban employment rates are virtually negligible for non-natives (males and females alike). However, there are significant differences in employment rates between various rural and urban locations for the native populations in Ontario. In general, employment rates are appreciably lower for rural natives than they are for those living in larger urban centres. This reflects the generally poorer state of development in rural native communities as distinct from rural non-native communities, and the generally poorer access to suitable employment for natives in rural and less urbanized areas. In larger centres of 100,000 population and over, native employment is almost 90% that of non-natives. In rural areas, however, it is only two-thirds that of non-natives. This trend is particularly serious since a larger proportion of natives are located in rural areas - especially among Indians living on-reserve.

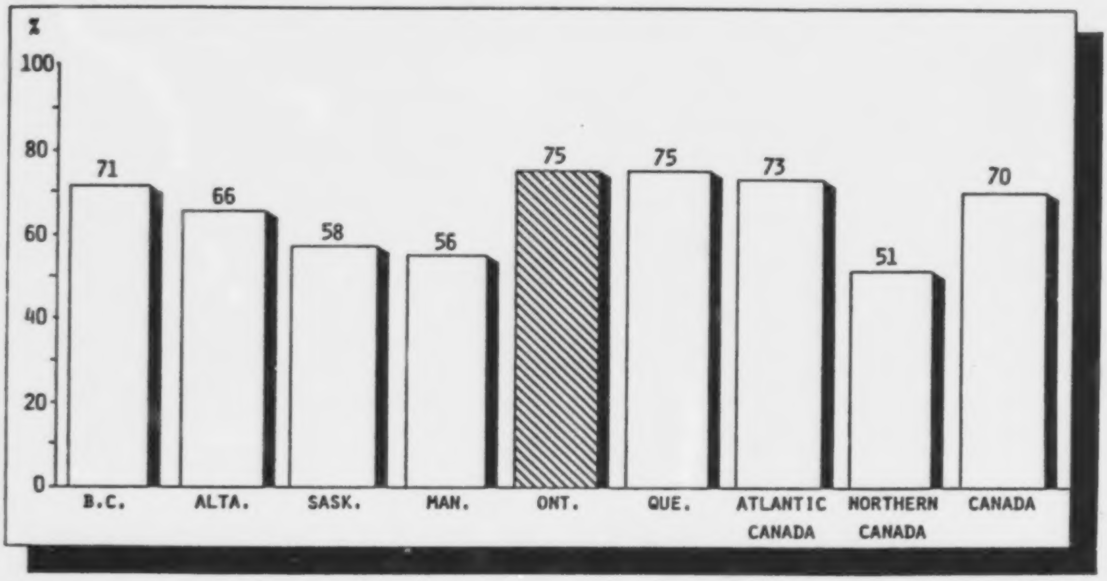
EMPLOYMENT RATES BY RURAL-URBAN RESIDENCE NATIVES AND NON-NATIVES, ONTARIO, 1981 (15 years and over)

RURAL-URBAN RESIDENCE	NATIVES			NON-NATIVES		
	Males	Females	Total	Males	Females	Total
Rural	51%	29%	40%	76%	46%	62%
Urban	70%	45%	56%	76%	52%	64%
. 1,000 - 9,999	66%	38%	50%	72%	44%	58%
. 10,000 - 99,999	67%	42%	53%	74%	48%	61%
. 100,000 and over	72%	49%	58%	77%	54%	65%
TOTAL	60%	38%	48%	76%	51%	64%

Source: INAC Customized Data Based on 1981 Census of Canada.

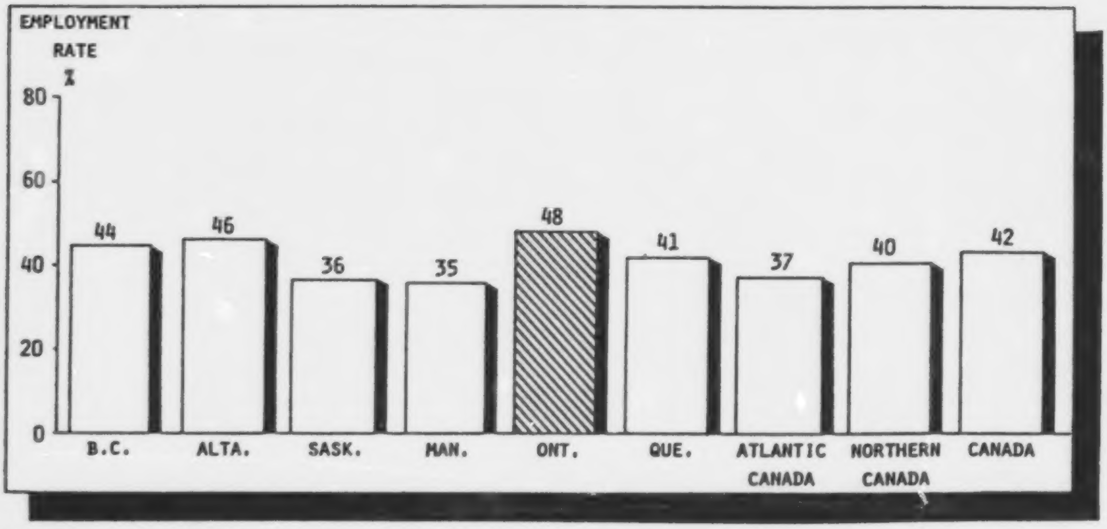
Despite the low levels of employment among natives and the disparities between natives and non-natives in employment in Ontario, it must be noted that employment levels among natives in Ontario are higher than that of their counterparts in all other provinces and regions of Canada. In fact, the employment levels among natives in Ontario are 1 1/3 times that of the lowest province (Manitoba). Similarly, the disparity between native and non-native employment levels is lowest in Ontario (tied with Quebec and followed closely by Atlantic Canada). These figures do not mean, however, that there is any reason for complacency over native employment conditions in Ontario. Instead, they provide evidence of the very real prospects that natives can take advantage of available employment opportunities. There is a solid base of employment experience in Ontario for natives to build upon.

NATIVE EMPLOYMENT RATE AS A PERCENTAGE OF
NON-NATIVE EMPLOYMENT RATE, BY PROVINCE, 1981
(15 YEARS AND OVER)



SOURCE: INAC CUSTOMIZED DATA BASED ON 1981 CENSUS OF CANADA.

NATIVE EMPLOYMENT RATES
BY PROVINCE, 1981
(15 YEARS AND OVER)



SOURCE: INAC CUSTOMIZED DATA BASED ON 1981 CENSUS OF CANADA.

Among the seven metropolitan areas (which account for one-quarter of status Indians in Ontario and almost one-half of other natives in the province), employment of natives is generally lower than that of non-natives. The one notable exception is Ottawa-Hull, where native employment is in fact somewhat higher than that of non-natives. This likely reflects government hiring of natives and the presence of national native associations and related native consulting firms which provide an important source of native employment. The native/non-native employment disparity is greater in smaller and more northern metropolitan areas - perhaps reflecting a narrower range of opportunities for natives as well as greater barriers to native employment in those centres. Employment of status Indians is lower than that of other natives in all seven metropolitan areas.

EMPLOYMENT RATES BY MAJOR METROPOLITAN AREA, NATIVES AND NON-NATIVES, 1981
(15 years and over)

	REGISTERED INDIANS	OTHER NATIVES	TOTAL NATIVES	NON-NATIVES
Ottawa-Hull	60%	69%	65%	64%
Toronto	62%	67%	64%	68%
Hamilton	46%	56%	51%	62%
Sudbury	37%	50%	42%	57%
Sault Ste. Marie	40%	50%	44%	61%
Thunder Bay	40%	57%	47%	62%
London	51%	60%	54%	65%

Source: INAC Customized Data Based on 1981 Census of Canada.

Industries

Natives and non-natives have almost identical distribution of employed workers in the three broad industry sectors:

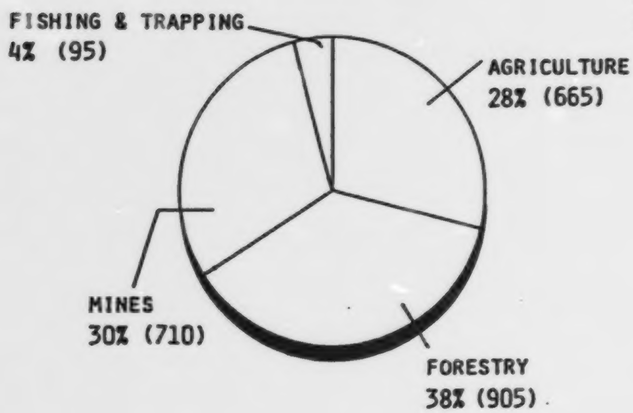
Industry Sector	Natives	Non-Natives
Primary (resources extraction/harvesting)	7%	5%
Manufacturing	20%	23%
Tertiary (services)	73%	72%
TOTAL	100%	100%

The primary industries account for less than one-tenth of the total employment among natives in Ontario, representing less than 2,500 workers. (The proportion of natives employed in the primary industries sector, however, is slightly higher than that of non-natives - reflecting the rural location of natives as well as the significance of certain traditional resource-related pursuits.) Whereas the vast majority of non-natives in the primary industries sector are involved in agriculture, the native population is more evenly divided amongst agriculture, forestry and mining activities. Fishing and trapping activities account for only 4% of native employment in primary industries, although this is likely bolstered by additional natives involved in non-wage traditional pursuits.

EMPLOYED WORKERS IN PRIMARY INDUSTRIES, NATIVES AND NON-NATIVES, ONTARIO, 1981
(15 YEARS AND OVER)

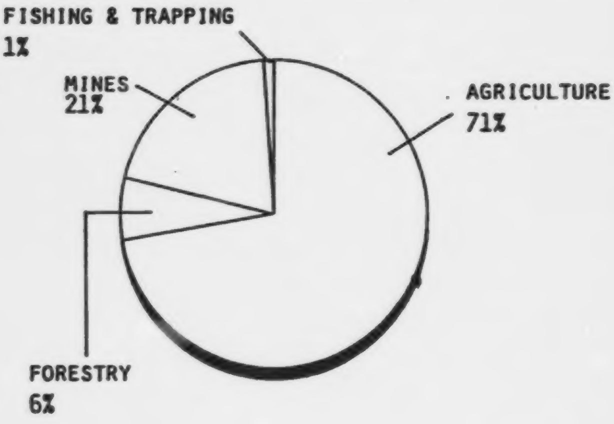
NATIVES

TOTAL EMPLOYED = 2,380
(7% OF TOTAL EMPLOYMENT
IN ALL SECTORS)



NON-NATIVES

TOTAL EMPLOYED = 190,725
(5% OF TOTAL EMPLOYMENT
IN ALL SECTORS)



SOURCE: INAC CUSTOMIZED DATA BASED ON 1981 CENSUS OF CANADA.

EMPLOYED WORKERS IN PRIMARY INDUSTRIES, NATIVES AND NON-NATIVES, ONTARIO, 1981
(15 years and over)

PRIMARY INDUSTRY	REGISTERED INDIANS			OTHER NATIVES				NON-NATIVES
	On-Reserve	Off-Reserve	Total	Non-Status	Métis	Inuit	Total	
Agriculture	21%	48%	29%	33%	16%	*	28%	71%
Forestry	53	19	43	27	30	*	38	6
Mines	22	31	24	38	46	*	30	21
Fishing and Trapping	5	*	4	*	*	*	4	1
TOTAL	100%	100%	100%	100%	100%	*	100%	100%

Source: INAC Customized Data Based on 1981 Census of Canada.

The manufacturing sector is not sub-divided into specific industry groupings. Manufacturing accounts for one-fifth of the total employed segment of the native population. Manufacturing industries include raw materials processing, equipment assemble and manufacture, finished project manufacture and similar production-oriented enterprises.

The tertiary (service) sector is the most important sector for natives and non-natives alike - accounting for approximately three-quarters of total employment.

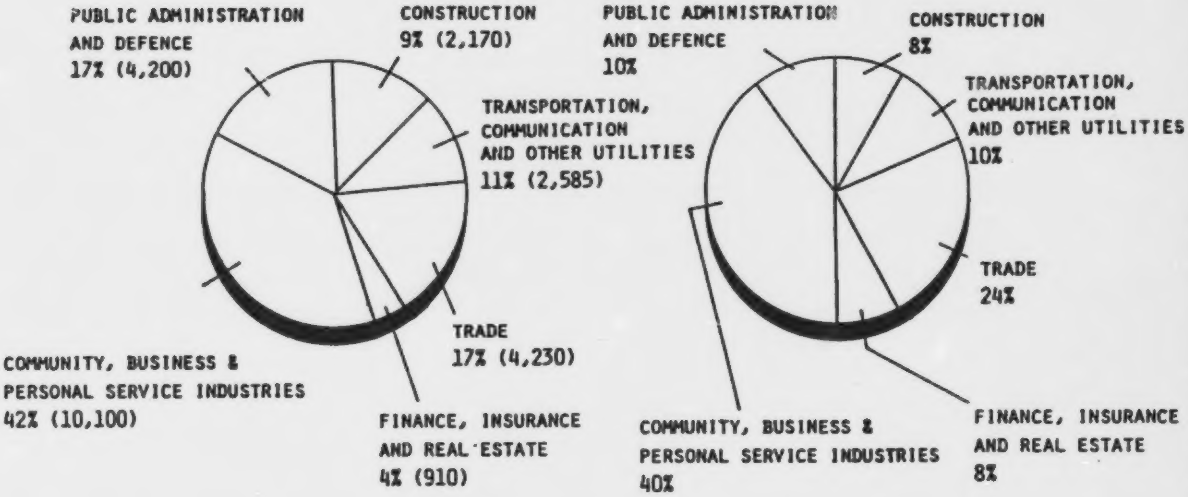
In general, distribution of natives among the various sub-elements of the tertiary sector is similar to that of non-natives. The most notable exceptions are:

- the higher proportion of natives in public administration and defence industries are almost exactly offset by a lower proportion of natives in the trade industries
- public administration is particularly important to the on-reserve status Indian population, accounting for three-tenths of employment in the tertiary sector of that population group

EMPLOYED WORKERS IN TERTIARY INDUSTRIES, NATIVES AND NON-NATIVES, ONTARIO, 1981
(15 YEARS AND OVER)

NATIVES
TOTAL EMPLOYED = 24,195
(73% OF TOTAL EMPLOYMENT IN ALL SECTORS)

NON-NATIVES
TOTAL EMPLOYED = 2,992,875
(72% OF TOTAL EMPLOYMENT IN ALL SECTORS)



SOURCE: INAC CUSTOMIZED DATA BASED ON 1981 CENSUS OF CANADA.

EMPLOYED WORKERS IN TERTIARY INDUSTRIES, NATIVES AND NON-NATIVES, ONTARIO, 1981
(15 years and over)

TERTIARY INDUSTRY	REGISTERED INDIANS			OTHER NATIVES				NON-NATIVES
	On-Reserve	Off-Reserve	Total	Non-Status	Métis	Inuit	Total	
Construction	12%	7%	9%	8%	8%	13%	9%	8%
Transportation, Communication and Other Utilities	10	9	9	13	13	*	11	10
Trade	10	21	16	21	19	17	17	24
Finance, Insurance and Real Estate	1	5	3	4	6	10	4	8
Community, Business & Personal Service Industries	37	46	42	43	41	33	42	40
Public Administration and Defence	30	13	21	11	12	18	17	10
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%

Source: INAC Customized Data Based on 1981 Census of Canada.

Personal Income

In 1980, a greater portion of natives than non-natives were in the lowest average personal income bracket. Among the various native groups, two-thirds or more of persons 15 years and over earned less than $10,000 per year, compared to only slightly more than one-half of non-natives. A greater proportion of status Indians - especially those living on-reserve - than other natives were in the lower income bracket. Less than one-tenth of natives earned $20,000 or more, compared to one-fifth of non-natives. The lower levels of personal income reflect a combination of factors:

- lower levels of labour force participation among native peoples
- lower levels of employment success among native peoples
- a greater tendency for native persons to be employed in lower-paying occupations
- a greater tendency for native persons to be involved in part-time and/or seasonal work
- a higher tendency for natives to be involved in non-wage and/or traditional pursuits

PERSONAL INCOME, NATIVES AND NON-NATIVES, ONTARIO, 1980
(15 years and over)

INCOME LEVELS	REGISTERED INDIANS			OTHER NATIVES				TOTAL NATIVES	NON-NATIVES
	On-Reserve	Off-Reserve	Total	Non-Status	Métis	Inuit	Total		
No Income	26%	23%	24%	18%	16%	18%	17%	22%	13%
Less than $5,000	37	31	34	30	31	23	30	33	23
$ 5,000 - $ 9,999	20	20	20	18	17	21	18	19	18
$10,000 - $14,999	9	11	10	13	13	13	13	11	14
$15,000 - $19,999	5	7	6	9	10	8	10	7	11
$20,000 and over	4	9	6	11	13	17	12	8	20
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: INAC Customized Data Based on 1981 Census of Canada.

For natives and non-natives alike, males on average earn more than females. The male-female disparity is greater for non-natives than for natives. This largely reflects the fact that the vast majority of both male and female natives are in the lower income brackets (three-fifths of males and almost nine-tenths of females earned less than $10,000 in 1980).

PERSONAL INCOME BY SEX, NATIVES AND NON-NATIVES, ONTARIO, 1980 (15 years and over)

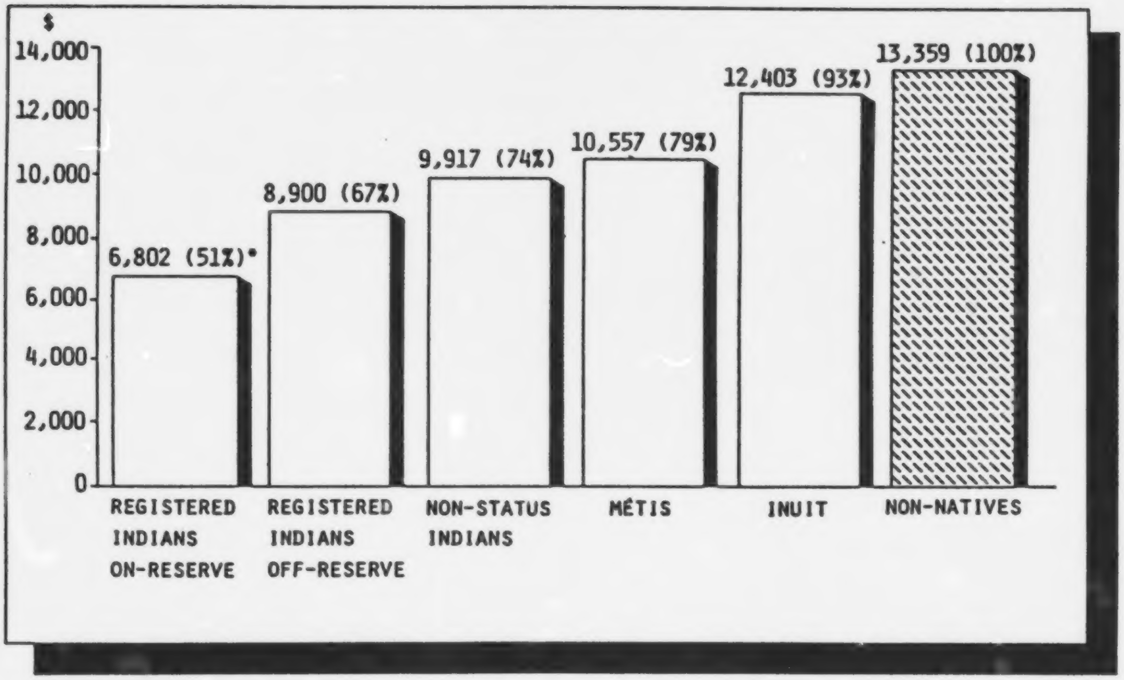
INCOME LEVELS	NATIVES			NON-NATIVES		
	Males	Females	Total	Males	Females	Total
No Income	13%	30%	22%	6%	20%	13%
Less than $5,000	28	37	33	16	30	23
$ 5,000 - $ 9,999	20	20	19	14	22	18
$10,000 - $14,999	13	9	11	14	15	14
$15,000 - $19,999	11	3	7	16	7	11
$20,000 and over	15	2	8	34	6	20
TOTAL	100%	100%	100%	100%	100%	100%

Source: INAC Customized Data Based on 1981 Census of Canada.

The average personal income for all native groups in 1980 was appreciably lower than that of non-natives. The Inuit enjoy the smallest disparity with non-natives, with average annual incomes 93% that of the non-native population. For non-status Indians and Métis the average income was approximately three-quarters that of non-natives. For status Indians living off-reserve, the average income was two-thirds that of non-natives, while for status Indians living on-reserve it was only slightly more than one-half that of non-natives.

AVERAGE PERSONAL INCOME, NATIVES AND NON-NATIVES, ONTARIO, 1981

(POPULATION 15 YEARS AND OVER WITH INCOME)



* % OF NON-NATIVE AVERAGE PERSONAL INCOME

SOURCE: INAC CUSTOMIZED DATA BASED ON 1981 CENSUS OF CANADA.

Family Income

The average income earned for so-called "economic families" (persons sharing a common dwelling unit) was substantially lower for natives in 1980 than it was for non-natives. This is particularly serious since the average family size of native groups is up to 20% larger than that of non-natives. The situation is most acute for status Indians - especially those living in rural areas. Average economic family income in 1980 for this group was only 57% that of non-natives, while the average family size of status Indian on-reserve was 32% larger than that of non-natives.

For non-natives in rural areas, the average economic family income per family member is almost two-and-a-half times that of status Indians. The rural-urban disparities are significantly greater for natives - especially status Indians than they are for non-natives. The same is true of disparities in average family size from rural to urban areas. For example, the average urban income of non-natives is only 13% higher in urban areas than in rural areas, while the average family size of non-natives is only 3% lower in urban areas than in rural areas. By contrast, average economic family income for status Indians is approximately 32% higher in urban areas than in rural areas, while the average family size is approximately 22% smaller. The differences for other natives are not as great as for status Indians, though appreciably greater than that of non-natives.

AVERAGE ECONOMIC FAMILY INCOME BY RURAL-URBAN RESIDENCE, NATIVES AND NON-NATIVES, ONTARIO, 1980

RURAL-URBAN RESIDENCE	REGISTERED INDIANS		OTHER NATIVES		NON-NATIVES	
	Average Income	Family Size	Average Income	Family Size	Average Income	Family Size
Rural	14,968	4.5	21,703	3.9	26,045	3.4
Urban	19,724	3.5	22,836	3.4	29,418	3.3
. 1,000 - 9,999	19,644	3.8	20,760	3.6	25,161	3.2
. 10,000 - 99,999	18,371	3.6	21,831	3.6	26,509	3.3
. 100,000 and over	20,308	3.4	23,744	3.3	30,626	3.3
TOTAL (Rural and Urban)	17,144	4.0	22,575	3.5	28,808	3.3

Source: INAC Customized Data Based on 1981 Census of Canada.

In all seven metropolitan centres where there are significant concentrations of native people in Ontario, the average personal incomes of persons 15 years and over with income is lower for status Indians than it is for other natives. In turn, it is lower for natives in general than it is for non-natives.

AVERAGE PERSONAL INCOME BY MAJOR METROPOLITAN AREA, NATIVES AND NON-NATIVES, ONTARIO, 1980
(Population 15 Years and Over, with Income)

	OTTAWA-HULL	TORONTO	HAMILTON	SUDBURY	SAULT-STE. MARIE	THUNDER BAY	LONDON
Registered Indians	11,273	9,881	9,049	8,828	7,464	6,606	7,488
Other Natives	11,729	11,031	10,551	9,250	10,968	9,681	8,792
Non-Natives	14,574	14,530	13,513	12,974	13,632	13,584	12,962

Source: INAC Customized Data Based on 1981 Census of Canada.

Education

For native and non-native populations alike, the levels of educational attainment do not vary significantly between males and females.

In general, native groups demonstrate lower average levels of educational attainment than non-natives. For example, the proportion of non-natives with at least some university education (14%) is almost double that of status Indians living off-reserve, non-status Indians, Métis and Inuit (8%), and is almost five times that of status Indians living on-reserve (3%).

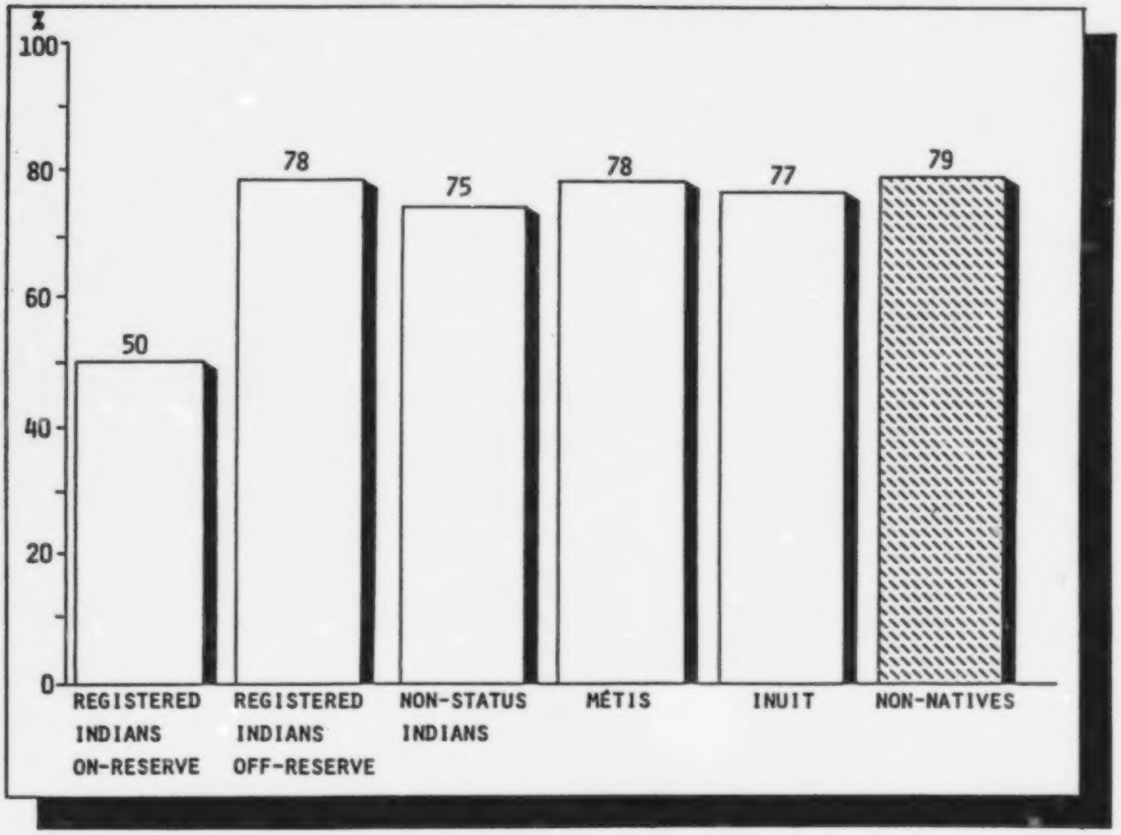
EDUCATIONAL ATTAINMENT, NATIVES AND NON-NATIVES, ONTARIO, 1981

HIGHEST LEVEL OF EDUCATION ATTAINED	REGISTERED INDIANS			OTHER NATIVES				TOTAL NATIVES	NON-NATIVES
	On-Reserve	Off-Reserve	Total	Non-Status	Métis	Inuit	Total		
No Schooling or Kindergarten	12%	3%	8%	2%	2%	6%	2%	6%	2%
Grades 1-8	38	20	31	23	20	16	22	28	19
Grades 9-13	30	37	33	37	37	41	37	34	28
High School Diploma and Other Non-University Diploma	17	33	24	31	32	23	31	26	37
Some University	2	5	3	4	6	7	5	4	6
University Certificate, Diploma or Degree	1	3	1	3	3	6	3	2	8
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: INAC Customized Data Based on 1981 Census of Canada.

The majority of natives and non-natives alike have complete elementary school. In fact, status Indians off-reserve, non-status Indians, Métis and Inuit are all very close to non-natives in the proportion of the population 15 years and over not attending school which has a grade 9 education or higher (75-79%). The one notable exception is status Indians on-reserve, where only one-half (50%) have grade 9 education or higher.

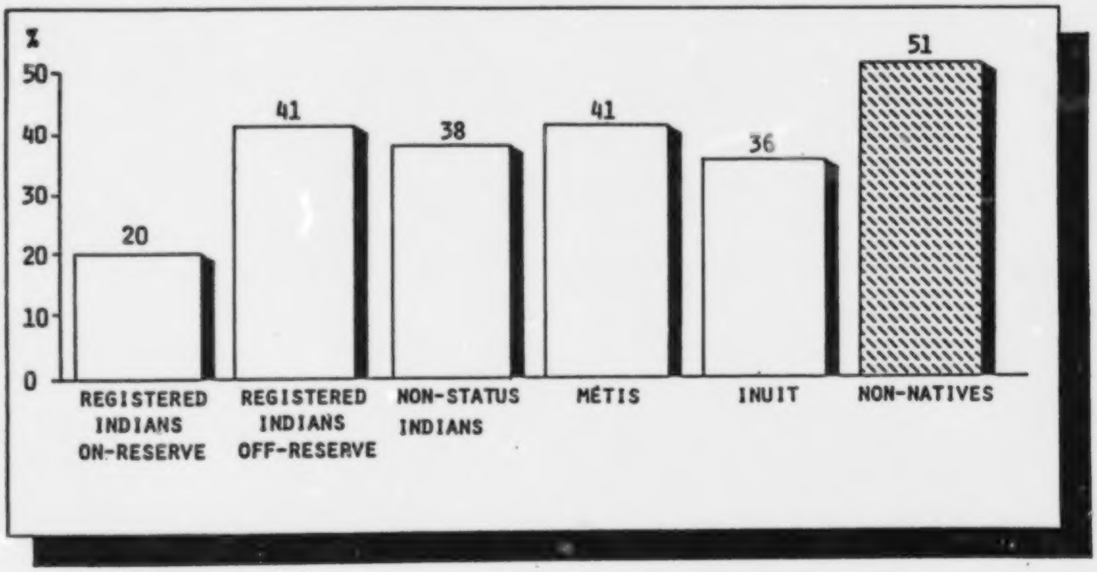
PERCENTAGE OF POPULATION WITH GRADE 9
EDUCATION OR HIGHER, NATIVES
AND NON-NATIVES, ONTARIO, 1981
(POPULATION 15 YEARS AND OVER, NOT ATTENDING SCHOOL)



SOURCE: INAC CUSTOMIZED DATA BASED ON 1981 CENSUS OF CANADA.

Greater disparities are evidenced among those who have attained a high school diploma or higher level of education. While fully one-half (51%) of non-natives have a high school diploma or higher, only two-fifths or less of native groups have such educational attainment. Status Indians on-reserve are the lowest, with only one-fifth of those 15 years and over no longer attending school having a high school diploma or higher.

PERCENTAGE OF POPULATION WITH HIGH SCHOOL DIPLOMA OR HIGHER,
NATIVES AND NON-NATIVES, ONTARIO, 1981
(POPULATION 15 YEARS AND OVER, NOT ATTENDING SCHOOL)



The importance of educational attainment is best evidenced in the correlation between employment rates and highest level of educational attainment among natives and non-natives in 1981. Although natives (males and females alike) exhibited lower levels of employment than non-natives are most categories of highest level of schooling attained, there is a positive linkage between increased levels of employment and higher levels of educational attainment. This is best highlighted by the fact that the employment rate of natives with a university certificate, diploma or degree (90%) is higher than that of non-natives (85%).

The simple completion of high school or similar non-university education is illustrated by the fact that employment of natives with high school diploma or other non-university diploma is 69%, compared to natives with only some high school (grade 9-13) is 49%. This represents a more significant difference for natives than for non-natives, where there is only a 10% difference in employment levels between the two levels of educational attainment.

EMPLOYMENT RATES BY HIGHEST LEVEL OF EDUCATIONAL ATTAINMENT, NATIVES AND NON-NATIVES, ONTARIO, 1981

(Population 15 Years and Over not Attending School)

HIGHEST LEVEL OF SCHOOLING ATTAINED	NATIVES			NON-NATIVES		
	Males	Females	Total	Males	Females	Total
No Schooling or Kindergarten	25%	10%	17%	48%	23%	33%
Grades 1-8	49%	21%	34%	62%	29%	45%
Grades 9-13	65%	36%	49%	77%	46%	61%
High School Diploma and Other Non-University Diploma	86%	57%	69%	87%	61%	71%
Other Non-University Diploma	81%	60%	70%	87%	61%	74%
Some University	82%	66%	74%	88%	63%	76%
University Certificate, Diploma or Degree	98%	80%	90%	92%	73%	85%
TOTAL (all levels of schooling)	64%	38%	50%	80%	50%	65%

Source: INAC Customized Data Based on 1981 Census of Canada.

The importance of educational attainment is further illustrated by the correlation between educational attainment and the proportion of the population 15 years and over no longer attending school with more than $20,000 personal income in 1980. Although natives (both males and females alike) have lower proportions in the higher income brackets at every level of educational attainment, it is clear that a greater proportion of natives with higher education are in the upper income brackets. For example, slightly more than one-quarter of natives with some university education had more than $20,000 personal income in 1980, compared to almost one-half with a completed university certificate, diploma or degree. At every level of educational attainment there are significant disparities not only between natives and non-natives but between males and females.

PERSONS WITH MORE THAN $20,000 PERSONAL INCOME, BY EDUCATIONAL ATTAINMENT, NATIVES AND NON-NATIVES, ONTARIO, 1981

(Population 15 Years and Over Not Attending School)

HIGHEST LEVEL OF SCHOOLING ATTAINED	NATIVES			NON-NATIVES		
	Males	Females	Total	Males	Females	Total
Grades 8 or Less	10%	-%	5%	22%	2%	11%
Grades 9-13	13%	1%	7%	29%	3%	15%
High School Diploma and Other Non-University Diploma	19%	1%	9%	35%	5%	17%
Other Non-University Diploma	26%	3%	15%	46%	7%	27%
Some University	41%	12%	26%	51%	14%	34%
University Certificate, Diploma or Degree	62%	26%	46%	71%	32%	57%
TOTAL	17%	2%	9%	38%	6%	22%

Source: INAC Customized Data Based on 1981 Census of Canada.

Native Businesses

This section provides an overview of the organization and general structure of the native "sub-economies" within the broader Ontario economic environment.

The section is, of necessity, largely descriptive in nature. Detailed and comprehensive data are not generally available on the actual number and size of native businesses presently operating throughout Ontario or on the number of natives employed in native-owned and/or managed enterprises.

The delineation of separate native "sub economy" is useful for highlighting some of the special and unique characteristics of native businesses and related economic and employment development institutions. In point of fact, however, there is no formal (e.g. legal) distinction between the native "sub-economyies" and the mainstream Ontario economy.

An examination of the organization and business activities of the native "sub-economies" reveals a number of major themes.

- In addition to those natives who are involved in informal traditional pursuits (e.g. subsistence hunting and trapping) and those who are employed in enterprises owned and controlled by other Canadians, a number of natives, including Indians on and off-reserve, are involved as owners and/or employees in enterprises which are owned and/or managed by natives, whether on an individual, family or collective (e.g. community, association band or tribal council) basis.

- native-owned and/or managed enterprises play an important role in offering business opportunities for native peoples. At the same time, they help ensure provision of important goods and services for native peoples and reduce dependence on the mainstream economy for goods and services "imported" into native communities by non-natives.

- The range of businesses which natives are involved in as enterprepreneurs is highly diverse. This includes businesses which cater primarily to the needs of the native community as well as others which are effectively penetrating the off-reserve markets.

Although the enterprises are generally modest in scale, a number are sufficiently large and successful to contribute substantially to the local, regional and, in some cases, national mainstream economies.

- The emergence of native-owned and/or managed economic institutions serving as financial and development ***intermediaries*** for the benefit of native businesses and enterpreneurs has contributed appreciably to the growth and expansion of economic and employment opportunities for natives throughout Ontario. However, the Ontario experience is not as extensive as that of western provinces where such economic institutions have enjoyed a longer tradition of service to the native business communities.

Natives are active in both the public (i.e. government) and private (i.e. commercial/industrial) sectors. The private sector includes businesses and enterprises which are owned and/or managed by either native or other Canadians (or some combination of the two groups). Some native businesses are located in the native community (including Indian reserves), while others may be located in mixed communities and larger urban centres.

Native businesses are typically modest in size, compared to similar businesses owned and controlled by other Ontario entrepreneurs. To a large extent this reflects two factors. First, it reflects the fact that the majority of native-owned and/or managed businesses are primarily oriented toward servicing native community markets (especially the on-reserve population), where the average size of the community or clientele within a given locale or region is relatively modest and can only support smaller-scale enterprises. (More specialized goods and services requiring larger-scale operations are often provided by larger enterprises owned and controlled by other Ontario entrepreneurs.) Second, the relatively modest scale of operations of many Indian businesses reflects the early stages of development of contemporary native businesses and enterprises. Over time, it is expected that many native businesses will increase their scale of operation and market share within given regions and industrial/commercial sectors, resulting in a greater proportion of larger-scale native businesses, comparable to those of other Canadians.

Native businesses may be owned and/or managed in a number of ways. First, there are the more conventional enterprises which are owned and/or managed by one or more *individuals* - whether through a sole proprietorship, an unincorporated partnership, or through a registered corporation under provincial or federal legislation. Second, there are *family*-owned operations which may involve nuclear or extended families within a given community. (It is believed that such family operations may be proportionally more common among the native population than among other Canadians in general.) Finally, there are native enterprises which are owned and/or managed through larger collective organizations including native associations, *bands* and *tribal councils*. In the case of status Indians, bands may sometimes assume overall ownership and/or control over a given business or enterprise within a community (especially on-reserve) and may allocate band resources and/or business operation rights to individuals or families for specific enterprises (e.g. farming of a given parcel of land on-reserve under an overall band farm management enterprise structure). In some cases, community cooperatives or trust funds are used for business development and support purposes, providing a collective ownership of investments and business enterprises.

The range of native enterprises reflects the diversity of resource endowments of native communities, including Indian reserves and the diversity of the local economic infrastructure, labour markets, commodity markets and related economic opportunities. The listing of sample native businesses outlined below provides evidence of the range and scope of native business activity in recent years.

Agriculture

- market gardening
- livestock raising (cattle, pigs, poultry)
- hay ranch agricultural and feedlot operation
- wild rice harvesting and marketing
- grain farming
- dairy herding

Forestry

- logging & log-hauling
- lumber milling (rough lumber and custom sawn timbers)
- pulp cutting and hauling
- post cutting
- cordwood cutting

Retail and Personal Service Operations

- service station
- restaurant and lunch counter
- grocery and general store
- furnace cleaning
- janitorial services
- ski-doo parts and maintenance
- pool hall
- confectionary
- barbershop/beauty salon
- laundromat
- fur dealer
- autobody service

Construction

- building contractors
- plumbing, electrical and painting contractors
- earthwork contracting
- road construction contracting
- heavy equipment contracting
- right-of-way clearance & maintenance etc. (for utilities, exploration, forestry, etc.)
- welding
- prefabrication (houses)
- land clearing
- back hoe & grader operations

Tourism and Recreation

- hotel
- cottage subdivision
- campground
- golf course
- docking facility/marina
- resort/lodge (fishing, hunting, camping, skiing, etc.)
- arena
- native dancers (concert entertainment)
- outfitting

Transportation

- schoolbus service
- trucking & transport contracting
- gravel and earth haulage
- sewage removal
- taxi service
- air service

Manufacturing and Processing

- furniture construction
- drapery manufacture
- garment and clothing manufacture
- cabinetmaking
- native crafts
- scrap metal processing
- canoe manufacture
- sports equipment manufacture (e.g. snowshoes, harnesses, hockey and lacrosse sticks, etc.)

Professional Services

- management consulting
- film production
- publishing (native books and newsletters)
- printing
- farm insurance
- legal services

Land Management and Leasing

- mobile home park
- real estate services
- commercial land leasing (reserve lands)
- residential land leasing (reserve lands)

Other

- commercial fishing
- fish canning
- trapping
- fur farming
- sugar bush operation
- canning of Indian corn

There is no single comprehensive data base providing a summary of existing or emerging native businesses in Ontario. The best source of data is that maintained by the Ontario Region of the federal Department of Indian and Northern Affairs for Indian-owned and controlled businesses. Information is not available on:

- Métis, non-status Indian and Inuit enterprises

- Indian-owned businesses which have never been funded by Indian and Northern Affairs Canada or other federal programs such as Employment and Immigration Canada (the database is compiled from government records of services provided; no comprehensive survey has ever been undertaken and completed)

The data from the existing files indicate a reasonably active Indian business community and therefore presumably a growing level of native entrepreneurs in general. The estimates below should be deemed to be the ***minimum*** number of enterprises currently active. Many more are likely in operation but have not been identified through any existing data collection efforts.

As of 1986, a total of 1,144 separate Indian businesses were identified in Ontario, including:

- 528 (46%) in south and eastern Ontario
- 236 (28%) located along highway 17 and highway 11 corridors, including principal feeder roads
- 290 (26%) businesses located in remote areas

The 1,144 Indian businesses identified in the INAC data base are distributed among the following economic sectors:

. agriculture:	7%
. forestry:	7%
. retail and personal services:	40%
. construction:	8%
. tourism and recreation:	10%
. transportation:	6%
. manufacturing:	12%
. professional services:	1%
. land management and leasing:	1%
. others:	8%

Total employment generated directly from Indian-owned businesses accounted for an estimated 2,500 person-years, distributed approximately as follows:

. south and central Ontario:	1,200 (48%)
. highway 17 and highway 11 corridors:	800 (32%)
. remote:	500 (20%)

Several facts are significant:

- Although the potential for certain forms of ***mining*** activities is currently being assessed, there are no known native-owned businesses directly involved in mining or related operations.

- Native involvement in ***agriculture*** is dominated by individually-owned farms located in south and central Ontario, which account for 90% of farming activity under the direct control of natives.

- In the ***forestry*** sector, there are 85 forestry-related owned and operated by native entrepreneurs.

- Only 38 individuals were identified as being active in ***commercial fisheries*** in Ontario. This vastly underestimates the number of natives who are involved in freshwater fishing and related activities in the province.

- In the ***tourism*** sector, the majority of native entrepreneurs in the south and central areas are involved in the operation of tent and trailer parks, marinas and cottages. In the north, native entrepreneurs and businesses are active in hunting and fishing camps as well as outfitting activities (i.e. equipment, supplies, and guiding).

- In the ***manufacturing*** sector, 68% of Indian businesses are involved in arts and crafts. Operations include manufacturing and sales.

- An estimated 70% of native enterprises in the ***retail*** sector are convenience and general stores serving local community markets.

- In the ***service*** sector, there is a slightly wider range of native enterprises. The majority consist of restaurants and fastfood outlets. However, there are a number of other service-oriented enterprises such as hairdressers and auto repair businesses - especially in the larger native communities and in south and central Ontario.

- In the ***transportation*** sector, many entrepreneurs are involved in school bus operations and local trucking & haulage.

- In the ***construction and trades*** sectors, there are several natives established as contractors and trades enterprises (e.g. electrician, plumber, etc.). The enterprises do not include individual construction workers who are engaged on a sub-contract or employee basis.

The above data do not reflect the numbers of native people who supplement their incomes through traditional pursuits, including hunting and trapping. While data are not available for Métis and non-status Indians, it is known that there were 3,314 registered Indian trappers in Ontario in 1984/85. Their harvest of wild furs was worth approximately $2.4 million, accounting for approximately 18% of the value of the total Ontario harvest for that trapping year.

Native Economic Institutions

In addition to the wide range of business advisory, financial and development services available to native businesses throughout Ontario's mainstream business community (e.g. chartered banks, trust companies, stockbrokers, investment dealers, credit unions, venture capital companies, etc.) are complementary and/or specialized services provided to native businesses and enterpreneurs via native-owned and/or managed *economic institutions*. These institutions, which may be run on a profit or non-profit basis, are distinguished from normal businesses in that they do not provide final goods and services. Instead, they play an important role as ***intermediaries*** in the economic development process by providing specialized advisory and/or financial services and support to aid in the establishment and/or on-going operation of commercial enterprises which themselves produce final goods and services. Most of the native economic institutions have arisen within the past 10-20 years, and have played a major role in meeting the special needs of native businesses.

The native economic institutions, being native-owned and/or managed, are designed to respond to the unique circumstances and needs of native businesses, often providing services not readily available through the mainstream Canadian business advisory and financial community. For example, the institutions play an important role in providing services in rural and remote areas where many native enterprises are located. In addition, they can offer services in native languages, with a sympathetic understanding of the unique cultural, social, geographic and historic circumstances and conditions facing native communities and their respective businesses. In some cases, the native economic institutions provide services directly to native enterprises, while in other cases they play a brokerage role in assisting native businesses in gaining access to services and financing from the mainstream institutions.

Although there are a diverse range of native economic institutions active in Ontario and other provinces (especially the west), they may be generally classified under the following three headings:

- Sectoral development institutions, devoted to the development and support of one particular industrial sector (e.g. agriculture, forestry or fisheries, etc.) within a given province or region. Ontario examples include the Indian Agricultural Program of Ontario, the Indian Forestry Development Program, the Ontario Indian Wild Rice Development Agency Inc. By specializing in a given sector, a sectoral development institution is able to provide specialized analysis of sectoral development opportunities as well as specialized services such as training, business development advisory services, financial brokerage, lending, and equity investment. The sectoral development institutions can also play a role in channeling government contribution funds to these enterprises within the given sector which are deemed by the development institution, in its best professional judgement, to have the greatest needs and prospects for success.

- Regional development institutions, which provide a comprehensive range of business support services (as per sectoral development institutions) but focus on the full range of business enterprises within a given community or region (most often at a scale smaller than a province, i.e. a native association, an individual band community, or a collection of communities such as in a tribal council arrangement). Ontario examples include ARISE (Association of Reserves for Improving Social Economics), the Ontario Métis and Non-Status Indian Association Development Corporation, and the Mohawk Development Corporation Akwesasne. Although regional development institutions provide services and support to the full range of enterprises within their designated constituency (i.e. they are not restricted to a single industrial sector), they may sometimes exclude themselves from involvement in certain sectors where an existing sectoral development institution already provides services to the same constituents.

- Specialized business service institutions, which provide a limited range of services (often only one service) to the full range of businesses or enterprises within their given constituency (often at a national or major regional level). Ontario examples are very limited, but include specialized advocacy and policy review institutions such as the Ontario Indian Economic Development Board, and Project Northtalk. Examples of financial institutions in other provinces include the Peace Hills Trust in Alberta, and the Saskatchewan Indian Equity Foundation. Unlike sectoral development institutions, they are not restricted to an individual sector, and unlike regional development institutions, they do not provide the full range of business development and support services. Instead, they typically concentrate on highly specialized advisory and/or financial services which are typically not readily or efficiently made available through the other types of institutions.

The national, regional and local network of native economic institutions is continually growing and evolving. The system is particularly well-developed in the western provinces, and is gaining importance in eastern and northern Canada. There are many sectors (e.g. forestry and construction), region/local areas, and specific business services (e.g. loan and/or investment brokering) in Ontario which are not yet represented by specialized native economic institutions. It is evident, however, that the successes of existing institutions will contribute to the evolution of a mature network of institutions over the longer term.

Appendix D: Economic Programs

INTRODUCTION

This appendix is an inventory of programs that affect, or have the potential to affect, native economic development in Ontario. Along with programs which are currently utilized, and those programs which may hold potential for native involvement, also included are those which indicate inadequate consideration of design or delivery relevant to native people.

TERMINOLOGY

- **Native-Specific**: program designed for and delivered to native people exclusively

- **Native Component**: program designed for and delivered to the general population, but having native people as a specific target group. This may be effected by a specific delivery mechanism, an affirmative action designation, a geographic designation, or by any combination of the above

- **Universal**: program designed for an delivered to the general population. Native participation and consequent impact on native economic development is subject to general eligibility criteria

FEDERAL PROGRAMS

Indian and Northern Affairs Canada

- Indian Economic Development Fund
- Employment Opportunities
- Employability Program
- Mineral Resource Directorate
- Indian Community Human Resource Strategies
- Indian/Inuit Management Development Program
- Indian Management Assistance Program
- Indian Youth Entrepreneurship Projects

Department of Regional Industrial Expansion

- Native Economic Development Program
  - Aboriginal Economic Financial Institutions
  - Community-Based Economic Development
  - Special Projects
- Special Agricultural and Rural Development Act

Employment and Immigration Canada

- The Canadian Jobs Strategy
  - Job Development
  - Job Entry
  - Innovations
  - Community Futures
  - Skill Investment
  - Skill Shortages
- Outreach
- Employment Equity Program

FEDERAL PROGRAMS (cont'd)

Agriculture Canada

- Canadian Agricultural Market Development Initiative
- Cooperative Marketing Act
- Advance Payment for Crops Act
- New Crop Development Fund
- Farm Improvement Loans
- Canada-Ontario Forest Resource Development Agreement
  - Indian Lands Program of the Canadian Forestry Service

Fisheries and Oceans

- Regional Offices
- Fisheries Improvement Loans Act
- Small Craft Harbours

Federal Business Development Bank

- Financial Services
- Investment Banking
- Financial Program
- Counselling Assistance to Small Enterprises
- Training
- Small Business Information Service

Farm Credit Corporation

- Farm Credit Act
- Farm Syndicates Credit Act

Public Service Commission

- Indigenous Participation Program
  - Office of Native Employment
  - National Indigenous Development Program
  - Northern Careers Program

PROVINCIAL PROGRAMS

Ministry of Citizenship and Culture

- Ontario Native Economic Support Program
  - Studies
  - Facilities
  - Economic
- Transfer Payments Program
  - Small Business Program
- Consultative Assistance
- Ontario Arts Council
- Arts Organization Grants
- Ontario Community Literacy Grants
- Ontario Heritage Foundation

Ministry of Natural Resources

- Canada-Ontario Resource Development Agreement
- Freight Equalization Assistance Program
- Commercial Fish Management
- Fisheries Industrial Development
- Forest Management Agreements
- Timber Licencing
- Parks and Recreational Areas
- Wild Rice Management

Ministry of Northern Development and Mines

- Nor-Dev
  - Employment Incentives
  - Industrial Infrastructure
  - Resource Diversification
  - Tourism Development
- Northern Community Economic Development Program
- Winter Roads
- Wild Rice Research

PROVINCIAL PROGRAMS (cont'd)

Ministry of Skills Development

- Ontario Training Strategy
    - Training Consulting Service
    - Ontario Skills
    - Trades Updating
    - Training Access
- Futures
- Youth Employment Counselling Centres
- Summer Experience
- Start Up

Ministry of Agriculture and Food

- Agri-North
    - Land Development
    - New Technology Demonstration
    - Market Development
    - Grain Production Development
    - Forage Production Development
    - District Development Initiatives
- Agricultural Field Offices
- Farm Operating Credit Assistance Program
- Ontario Farm Adjustment Assistance Program
- Ontario Family Farm Interest Rate Reduction Program
- Ontario Beginning Farmer Assistance Program
- Ontario Young Farmer Credit Program
- Ontario Tender Fruit for Processing and Tree Planting Assistance Program
- Soil Conservation and Environmental Protection Assistance Program
- Ontario Storage and Packing Assistance Program for Fruit and Vegetables
- Ontario Seasonal Housing Assistance Program
- Tile Drainage Act
- Northern Ontario Livestock Transportation Assistance Policy
- Livestock Improvement Program for Northern Ontario

PROVINCIAL PROGRAMS (cont'd)

Ministry of Treasury and Economics

- Canada-Ontario Economical and Regional Development Agreement

Ministry of Transportation and Communications

- Remote Airport Development and Maintenance Programs
- Muncipal Roads

Ministry of Industry, Trade and Technology

- Ontario Development Corporation
- Northern Ontario Development Corporation
- Eastern Ontario Development Corporation
- New Ventures Program
- Innovation Ontario Corporation
- Export Success Fund

Ministry of Tourism and Recreation

- Canada-Ontario Tourism Development Program
    - Studies
    - Product Development
    - Marketing
    - Visitor Services
- Capital Construction Assistance Program for Northern Ontario
- Working Capital Assistance Program for Northern Ontario
- Large Scale Tourism Program
- Northern Ontario Tourism Marketing Program

Ministry of the Solicitor General

- Indian Constable Program

PROVINCIAL PROGRAMS (cont'd)

Ontario Women's Directorate

- Information and Referral Service
- Community Grants Program

Ministry of Colleges and Universities

- Universities
- Colleges

NATIVE AND PRIVATE PROGRAMS

- Indian Forestry Development Program
- Ontario Indian Economic Development Board
- Association of Reserves for Improving Social Economics
- Project Northtalk
- Ontario Métis and Non-Status Indian Association Development Corporation
- Indian Agricultural Program of Ontario
- Canadian Executive Services Organization
- National Indian Arts and Crafts Corporation
- Northern Hides Incorporated
- Canadian Council for Native Business
- Mohawk Development Corporation Akwesasne
- Lakehead University Consulting Services
- Nishnawbe-Aski Development Fund

PROGRAM DESCRIPTIONS - FEDERAL

(by Department or Agency)

- Indian and Northern Affairs Canada (INAC)
- Department of Regional Industrial Expansion (DRIE)
- Canada Employment and Immigration Commission (CEIC)
- Agriculture Canada (AGRIC)
- Fisheries and Oceans (F&O)
- Federal Business Development Bank (FBDB)
- Farm Credit Corporation (FCC)
- Public Service Commission (PSC)

Indian and Northern Affairs Canada (INAC)

Recent restructuring of INAC has created a distinct unit called the Economic Development Program. It is responsible for coordination of economic development programs within INAC. Specific new initiatives are likely to develop over the next few years as INAC considers native response to new policy direction. The programs described below are currently operational.

- **Indian Economic Development Fund** - is a source of capital available to bands, individuals or groups to facilitate economic development on and off-reserves. In addition to loans, contributions, and guarantees enterprises are provided with management advisory services. Projects are screened at headquarters (Ottawa) and administered regionally by either INAC officers or local native authorities (band councils or development corporations). Projects which are eligible for other federal or provincial assistance are not excluded from funding. In 1984-85 76 projects were assisted in Ontario. They included retail trade, resource development, communications, and transportation. The total financial allocation for Ontario in 1984-85 was $1,203,000. The average IEDF project involved capital investment of $47,000 and IEDF support of $24,000, and was expected to create or maintain 2.5 part-time and full-time jobs.

- **Employment Opportunities** - is a job creation program which is broadly structured to allow flexibility in project profile and fund dispersion. Of the 1984-85 national budget of $9 million: 54% financed the provision of band development officers.
  - 20% was spent on job creation
  - 26% was spent on small business support and development

  Ontario receives approximately $3.5 million. The program is limited to status Indians and is administered through INAC regional offices.

INAC (cont'd)

- **Employability Program** - is a human resource development program consisting of three components as follows:
  - occupational skills training
  - on-the-job training
  - mobility assistance to facilitate training or job searching

  The Employability Program mirrors Employment and Immigration Canada programs but maintains less restrictive eligibility criteria. The program is limited to status Indians but otherwise has no specific target group. Ontario receives 17% of the fluctuating annual budget. The program is administered through INAC regional offices.

- **Mineral Resource Directorate** - assists bands in identifying mineral potential of their reserve lands and in negotiating mineral development with mining companies. The program is directed at the seven provinces east of Saskatchewan. The Mineral Resource Directorate selects and manages projects. It is limited to 35 projects ongoing simultaneously. Funds from the Indian Community Human Resources Strategies program of band members to assist in carrying out mineral inventories.

- **Indian Community Human Resource Strategies** - is designed to support human resource development for long-term employment on and off-reserve. It encompasses all employment and training initiatives of INAC. The Indian Community Human Resource Strategies program supplements EIC efforts by assisting status Indians in obtaining access to EIC and other federal and provincial funding. Indian Community Human Resource Strategies funds are disbursed only after exhaustion of other channels. The Indian Community Human Resource Strategies has eight components:
  - Strategy Development
  - Career Counselling
  - Training
  - Labour Market Adjustment
  - Employment Development

INAC (cont'd)

- Community Economic Enterprises
- Employment Entry
- Employment Access

Proportional allocation of funds is determined by adult status Indian population per province. Ontario receives $5.6 million.

- **Indian/Inuit Management Development Program** - is designed to assist bands in the identification, acquisition, and evaluation of training initiatives. Funding is available to individuals, bands, educational institutions, and other aboriginal organizations. The program's objective is to enhance skills within the native community that are relevant to the development of self-government. Regional offices are responsible for the administration of the Indian/Inuit Management Development Program, while district offices receive and initially screen applications for criteria fulfillment. In addition to application duties, the district offices are able to allocate up to a maximum of $10,000 for socio-economic and business development. The Ontario region administered $2.5 million in the form of loans, loan guarantees, and contributions in 1983-84. National coordination of the Indian/Inuit Management Development Program is undertaken by the Indian Services Program of INAC.

- **Indian Management Assistance Program** - provides advisory services to bands and tribal councils through summer employment of management and business students. The Indian Management Assistance Program is coordinated by the Indian Services Program of INAC with the administrative assistance of participating bands and tribal councils.

INAC (cont'd)

- **Indian Youth Entrepreneurship Projects** - are five pilot projects designed to develop entrepreneurial skills in Indian youth. The major elements of the pilot projects are:
    - recruitment of strong candidates
    - training in business practices and planning
    - provision of modest capital resources
    - follow-up support during the first operating year

Five organizations worked with INAC in developing the projects and are responsible for overseeing regional implementation. They are as follows:

- The Cape Community Planning Consultants in conjunction with the Nova Scotia Chiefs
- The Native Training Institute of Quebec
- The Saskatchewan Indian Institute of Technologies
- The Yellowhead Tribal Council Development Corporation of Alberta
- The Federal Business Development Bank (for a second Alberta project)

Initial funding of $914,000 in 1986/87, and $363,000 for follow-up in 1987/88, will come from the Indian Community Human Resources Strategies and Employment Opportunities programs. The Indian Youth Entrepreneurship Projects will be evaluated to determine whether or not a larger scale program would be an appropriate vehicle to reduce Indian youth unemployment.

Department of Regional Industrial Expansion (DRIE)

The **Native Economic Development Program** is the major coordinator of federal government efforts concerning aboriginal economic development. The NEDP has capital allocation of $345 million for a four-year period ending in 1988. The program is applicable to all aboriginal peoples. In recognition of varying native economic circumstances across Canada, the strategy is structured into four elements as follows:

- Aboriginal Economic and Financial Institutions
- Community-Based Economic Development
- Special Projects
- Coordination

- The **Aboriginal Economic and Financial Institutions** program element is designed to promote self-reliance by the development of native institutions through the infusion of capital so that they can, in turn, provide the equity, venture capital, loans, management and technical advice necessary to nurture aboriginal business development. Both proposed and existing economic and financial institutions are eligible for support.

- The **Community-Based Economic Development** program element is designed to stimulate community-based business and industry development. Activities eligible for support are opportunity analysis, economic development planning, human resource development and improving community access to other federal government programs. Community-based economic development projects which have the potential to be commercially profitable receive first priority.

- The **Special Projects** program element supports ideas that fit the NEDP's mandate but which are not eligible for any other specific program under their respective criteria. Five categories have been chosen as priorities. They include the following: scholarship programs; innovation, research, and marketing activities; special studies; and aboriginal-owned and controlled enterprises of a high priority.

DRIE (cont'd)

- The **Coordination** program element is designed to enhance the impact of federal government programs and policies to support native business and economic development. This is carried out by means of an advocacy and advisory role for the NEDP vis-à-vis other federal departments. Activity under this program element is directed by an Advisory Board, staff analysis and the Minister.

- **Special Agricultural and Rural Development Act (ARDA)** has produced agreements signed jointly by DRIE and provincial agencies in British Columbia, Saskatchewan, and Manitoba and by the governments of the Yukon and the Northwest Territories to improve economic conditions for northern native peoples. The agreements provide financial assistance for the capital costs of new or expanding business enterprises operated by or employing native people, and to groups of primary producers engaged in hunting, trapping, fishing, and forestry. They also cover arrangements for assistance with the development of project plans and the completion of applications, with management and other training required to utilize economic and employment opportunities, and with social services counselling.

Canada Employment and Immigration Commission (CEIC)

Employment and Immigration Canada carries out its training and employment mandate using only national, universal programs. Within that framework, the practice of targeting designates a native component and target level for native participation in most programs. This system complements EIC's employment equity initiatives which legislate, in the case of federal companies and large contractors, and foster voluntary compliance to, in the case of private companies, the designation of target levels for the employment of native personnel.

EIC organizes its major initiatives under the heading of the Canadian Jobs Strategy. Each of the six programs making up the Canadian Jobs Strategy contains a training component. The Canadian Jobs Strategy relies on sponsors, the individual, and the employer to discover innovative ways to train and employ workers. The stated objective of the Canadian Job Strategy applied to native people is to bring them into the mainstream of training and skills development. In addition to the Canadian Jobs Strategy, EIC operates an Outreach program to aid in the delivery of its main programs. The Outreach program also involves a native component of one-third of its total program.

- **The Canadian Jobs Strategy**

    - **Job Development** - offers wage subsidies and contributions towards capital costs and training expenses for special projects or job openings which provide for the placement of individuals who have been jobless for twenty-four of the thirty weeks previous to the time of placement. The maximum duration of Job Development assistance for one position is fifty-two weeks. Band councils, native associations, employers, non-profit societies or any other agency may put forward a proposal for sponsorship. Activities may concentrate on specific industrial sectors, with the goal of bringing trainees up to industry standards in a set of generic skills related to local industry needs. In most cases, contributions include:

CEIC (cont'd)

- 60% of wages paid to a participant up to a maximum of $350 a week;
- up to $40 a day per participant for direct training costs;
- up to $5,000 for eligible capital costs.

In some cases, Job Development may also pay for the costs of a project manager. Eligible project sponsors in the native non-profit sector could receive up to 100% of the total project costs.

- **Job Entry** - assists youth and women in bridging the gap from school or home to a place in the work force through four sub-program options:

  - Entry - is designed for unemployed youth who have not graduated from a post-secondary school and have been out of school for at least three months.

  - Re-entry applies to women who have been out of the Paid work force for at least three years due to home obligations.

Entry and Re-entry aim to provide on-site training and work experience with local employers who agree to take part in the program. Independent coordinators, on contract with EIC, design and administer individual training plans for participants. A training plan can last up to 52 weeks and consists of a review of existing skills, basic work skills, ongoing counselling and support. Participants in either program receive a training allowance or Unemployment Insurance benefits, whichever is greater. Supplementary allowances cover travel and commuting expenses or the costs of living away from home.

CEIC (cont'd)

- Cooperative Education - provides school-based work study opportunities for students.
- Summer Programming - provides training and work experience related to the career path of students planning to return to school. Included in this sub-program is EIC's internal Native Internship Program. The Native Internship Program offers summer employment to native students in various regional and national offices of EIC. Its national budget for 1985-86 was $2.4 million having placed 500 students. The 1986-87 projections for Ontario are $520,000 and 107 placements.

- **Innovations** - provides financial support for pilot projects and demonstration projects which promote labour market development. The projects supported are those attempting to provide lasting improvements to labour market problems through experimentation with new concepts. The program is not designed to provide ongoing funding of an operational nature. EIC envisions groups representing the native community developing creative proposals specific to their situation.

- **Community Futures** - provides special assistance to communities facing severe labour market adjustment problems. These include communities hit by major layoffs and plant closures, communities with potential for growth but experiencing prolonged economic decline, and communities suffering chronic high unemployment. EIC views Community Futures as relevant to native communities, as it includes resources to encourage self-help initiatives and project financing for local enterprises. In general, Community Futures attempts to build on existing strengths of communities.

CEIC (cont'd)

- **Skill Investment** - encourages workers and employers to plan for change in order to avoid layoffs or lost jobs. Retraining takes place prior to anticipated changes. such training may take place in the employee's firm, in another firm, a community college or training institution. Training may last up to three years. The program operates in three modes:
    - extended training leave option enables an employer to enter into an agreement with EIC allowing employees to take leave from work to upgrade their skills;
    - small business training option provides assistance for small business and self-employed workers for the training of employees, owner-managers and the self-employed;
    - training fund option helps unions, employee associations and employers set up trust funds to pay for member's future training and skill development. It can also be used to support existing training funds.
- **Skill Shortages** - provides financial assistance to employers who must train workers in designated occupational skills. Designated skills may range from those required - high technology occupations to those in the fast-food industry - as long as they are identifiable as being skills that are in demand and in short supply. In general, a skill will be designated for this program if it is required by employers, a shortage exists or is anticipated, and training will alleviate the shortage. Any voluntary or non-profit organization, or employer or self-employed individual in the private sector is eligible for support. Design and delivery of the training is the responsibility of the support recipient. The recipient

CEIC (cont'd)

may get assistance from any other source to develop a training plan, and may purchase off-site training from the public or private sector.

- **Outreach** - is an access-to-services program aimed at helping disadvantaged groups overcome barriers to employment and employment-related services. Outreach projects are delivered by community groups and agencies. Its native component consists of 100 projects throughout Canada, 14 being in Ontario. Outreach workers seek out individuals with employability difficulties within their own community environment and inform them of available services. Project proposals are expected to develop from within a community based on identifiable needs and are sponsored for designated terms subject to evaluation.

- **Employment Equity/Employment Equity Consultative Program** - seeks to educate private companies about the benefits of hiring the disabled, women, visible minorities, and aboriginal peoples. Consultants advise interested private sector groups and make presentations about employment equity. Five consultants operate in Ontario.

  - **Federal Contractor's Program** - requires that companies with more than 100 employees must sign a commitment to have a representative proportion of targeted groups, including aboriginal people, employed on any project exceeding $200,000. Representative proportion in the case of native people is based on the population estimates of native people in the area where a project is located.

  - **Legislated Employment Equity** - ensures that federally regulated companies of over 100 persons target the four designated groups for employment opportunities. This legislation affects approximately 1000 companies nationally, 500 having branches or head offices in Ontario.

Federal Business Development Bank (FBDB)

The Federal Business Development Bank (FBDB) promotes the establishment and development of business enterprises by providing financial assistance, management counselling, management training, information and advice and other services ancillary to any of the above. The FBDB Act provides also that the FBDB "give particular consideration to the needs of small business enterprises" in carrying out its purpose.

Although the FBDB is empowered to lend virtually to any kind of business enterprise in Canada, three sectors dominate its lending portfolio: manufacturing, the wholesale and retail trade, and the tourism industry.

The major program areas of the FBDB are:

- **Financial Services** - extend financial assistance to new or existing Canadian businesses that do not have other sources of financing available to them on reasonable terms and conditions. Loans, loan guarantees, interim financing, equity financing, or any combination of these according to the particular needs of the business, are available. Particular attention is given to smaller organizations. FBDB also provides term loans with interest rates fixed for one to five years, as well as floating-rate loans that can be switched to fixed rates at the borrower's option.

- **Investment Banking** - cooperates with the private sector to serve as a catalyst to attract more equity financing from private financial institutions. FBDB's financial participation in companies is temporary in nature; it is planned for a period of time sufficient to provide a durable benefit to the company and a return for the FBDB that is commensurate with the risk.

- **Financial Planning Program** - offers a series of do-it-yourself financial planning kits, a package service, and an intermediation service to assist small and medium-sized firms in preparing and presenting their business plans.

FBDB (cont'd)

- **Counselling Assistance to Small Enterprises** - uses the expertise of retired business people to assist small firms in improving their methods of doing business. Counsellors provide advice in the areas of business management, including accounting, marketing, production, and personnel. It is not necessary to be a borrower from FBDB to obtain CASE services. (See Native Community Branch for information on application of CASE to native enterprises.)

- **Training** - helps owners and managers of small businesses with management skills. These training services include seminars on various business topics, joint seminars organized in cooperation with professional or industrial associations or groups, and owner/manager courses developed by FBDB for the provincial and territorial ministries of education. These courses are offered through the adult education departments of community colleges. The FBDB also organizes management workshops locally using mixed-media presentation.

- **Small Business Information Service** - provides information for businesses, at each FBDB branch. Information is offered from Statistics Canada, trade associations, and other public and private sources. FBDB also publishes a booklet series entitled Minding your Own Business and a quarterly tabloid entitled Profit$.

Agriculture Canada (AGRIC)

- **Canadian Agricultural Market Development Initiative** - provides financial assistance to organizations for selected projects concerned with market development for new, improved, or under-marketed products. The program funds up to 50% of a project to a limit of $750,000. The Canadian Agricultural Market Development Initiative program has been utilized by native people in Saskatchewan, but not by groups in Ontario.

- **Cooperative Marketing Act** - allows the Minister of Agriculture to enter into an agreement with a cooperative or association, a processor, or a selling agent guaranteeing to the organization an initial payment to producers. Guaranteed payments may also be extended to eligible processing, carrying, and selling costs of the organization. The Ministry provides guarantees for loans negotiated with private financial institutions. Native groups must meet all general criteria. To date, no native organizations have used the program.

- **Advance Payments for Crops Act** - provides producers with an incentive to store products by supplying advance payments. The Act guarantees advances through eligible producer organizations, which must administer the plan on behalf of their members. It applies for all storable crops grown in Canada, except grains grown within the area administered by the Canadian Wheat Board.

- **New Crop Development Fund** - aims to encourage the growth and efficiency of a diversified crops sector. The fund will contribute up to 75% of project costs of eligible projects originating from universities and non-profit organizations and up to 50% of costs of projects originating from provincial agencies and commercial companies. To be eligible, projects must demonstrate the commercial potential of new crops, varieties, technologies, or production practices in a region. To qualify, projects should be large enough

AGRIC (cont'd)

to obtain economic and production information commercially useful. the Gibson Band received New Crop Development Fund funding for a study to improve cranberry growing on their reserve.

- **Farm Improvement Loans** - guarantees loans made to full-time farmers by banks and other lenders for the improvement and development of farms. In addition, the program may guarantee loans made for the purposes of major repairs to implements and equipment, construction, repairs of farm buildings, purchase of livestock or additional land, land clearing, and irrigation systems. Applicants need equity to obtain the original loans through banks or other lending institutions.

- **Canadian Forestry Service** - provides support to the provinces in their responsibility for forest management by means of:
    - forest research and technical services
    - coordination of federal policies in order to encourage good forestry
    - participating in provincial and industry forest renewal programs
    - maintaining a comprehensive national forest inventory
    - promoting the forest as a source of energy
    - managing forests on federal land
    - encouraging new investment in the forest resource and international trade in forest products

    - The Canadian Forestry Service oversees the administration of the Canada-Ontario Forest Resource Development Agreement, a subsidiary agreement of the Canada-Ontario Economic and Resource Development Agreement. The purpose of the Canada-Ontario Forest Resource Development Agreement is to enable the federal and provincial government to undertake programs of forest management, research, technology transfer, and public information. The agreement aims to support:

AGRIC (cont'd)

- forest management activity in order to increase the sustainable supply of wood fibre from the forest reource to ensure the long-term viability and competitiveness of the forest industry in Ontario

- improved and increased utilization of the forest resource to enhance future forest industry development opportunities

- economic development of the Ontario forestry sector, including the improvement of employment opportunities in the sector

The Canada-Ontario Forest Resource Development Agreement implements programs in four areas:

- forest management and renewal operations
- forest management and renewal support
- innovative programs
- administration, communications and evaluation

A portion of federally delivered funding is directed to forest management projects on reserves. A program component of Canada-Ontario Forest Resource Development Agreement involving federal lands designates a specific portion of resources to status-Indian lands. The Indian Lands Program works towards:

- increasing economic returns from forests on native lands by improved forest management
- enhancing the forests' non-timer values (e.g. cultural, cultural, wildlife, tourism, recreation, etc.)
- improving local employment prospects

AGRIC (cont'd)

In Ontario, all native programs are eligible to apply for project funding under the Indian Lands Program. Activities eligible for funding are:

- forest management planning and related inventory projects
- standard forest renewal and tending
- access improvement, environmental enhancement, forestry awareness and related projects

The Indian Lands Program in Ontario is delivered by the Canadian Forestry Service through its regional office in Sault Ste. Marie. Project proponents are required to contribute 15-20% of total project costs. The Federal Lands Program 5-year budget is $4 million. A major portion of the $4 million is to be directed to the Indian lands Program.

Fisheries and Oceans (F&O)

- **Regional Offices** - offer technical and marketing advice upon request.

- **Fisheries Improvement Loans Act** - enables Fisheries and Oceans to act as a loan guarantor for fishing entrepreneurs. Eligible loans are those which finance capital or improvement expenditures for equipment. Loans must be negotiated at recognized financial institutions.

- **Small Craft Harbours** - contributes toward the building costs of tourist fishing wharves and the development of boating facilities. The maximum grant for wharf building is $75,000.00. Boating facilities are being partially funded under the Small Craft Harbours program at the Garden River reserve.

Farm Credit Corporation (FCC)

The Farm Credit Corporation provides long-term mortgage credit to assist in the purchase, development and maintenance of viable farm businesses as authorized under the Farm Credit Act. The Farm Credit Corporation is designated as a lending Crown corporation. Loans may be made to individual farmers, groups of farmers, or to farming corporations including cooperative corporations. The Farm Credit Corporation also administers the lending program authorized under the Farm Syndicates Credit Act which provides for loans to groups or syndicates of farmers organized to share in the purchase and use of farm machinery, buildings, and installed equipment.

There are two categories of eligible loan recipients under the Farm Credit Act:

- persons who are principally occupied in farming after receiving a loan
- persons commencing farming who intend to retain off-farm employment while developing a viable farm business, but who intend to rely upon farming as their principal occupation and source of income within 5 years of receiving a loan

Loans may be used for any purpose that will facilitate an efficient farm operation (e.g. land purchase, debt consolidation, purchase of breeding stock, or purchase of equipment, etc.). Credit advisors of the FCC provide assistance with financial planning and management. Borrowers are offered a choice of loan duration ranging from five to twenty years with amortization schedules of five to twenty-nine years. The loan limits are $350,000.00 per farming enterprise with one qualifying applicant or up to $600,000.00 per farming enterprise with more than one qualifying applicant.

Under the Syndicates Credit Act a group of three or more individuals, the majority of whom have farming as a principal occupation, may qualify for loans to a maximum of $100,000.00 or $15,000.00 per member, whichever is less.

FCC (cont'd)

The Farm Credit Act provides authority for the FCC to make loans to status Indians. These loans may be guaranteed by INAC. Approximately 10 loans to 8 reserve-based native borrowers in Ontario were active in recent years. These loans totalled approximately $530,000.00. Five loans have been repaid by INAC as a function of their capacity to guarantee loans on behalf of status Indian farmers.

Public Service Commission (PSC)

- **Indigenous Participation Programs** - attempt to improve the representation of aboriginal people at the middle and senior levels of the public service by providing an inventory of human resources from which federal departments can recruit when filling positions. The Indigenous Participation Program consists of three sub-programs:
    - **Office of Native Employment** - addresses hiring practices and policies with a view to eliminating barriers to public service employment for native people. The Office of Native Employment maintains an inventory of employment candidates and assists departments and agencies in the selection of suitable employees. Pre-employment counselling for native candidates is also made available.
    - **National Indigenous Development Program** - coordinates the development and administration of training positions in the public service which are designated as native career development opportunities. The National Indigenous Development Program was developed with an emphasis on management positions, but recently has included entry-level positions. Departments are required to equally share the salary and person-years of participants. Participants may remain in the National Indigenous Development Program for up to 24 months during which they are expected to develop the skills relevant to placement through regular staffing processes.
    - **Northern Careers Program** - mirrors the National Indigenous Development Program, but targets aboriginal people from the geographical area north of 60°.

PROGRAM DESCRIPTIONS - PROVINCIAL

- Ministry of Citizenship and Culture
- Ministry of Natural Resources
- Ministry of Northern Development and Mines
- Ministry of Skills Development
- Ministry of Agriculture and Food
- Ministry of Transportation and Communications
- Ministry of Industry, Trade and Technology
- Ministry of Tourism and Recreation
- Ministry of Solicitor General
- Ontario Women's Directorate
- Ministry of Treasury and Economics
- Ministry of Colleges and Universities

Ministry of Citizenship and Culture (MCC)

- **Native Community Branch** - the Native Community Branch is a consultative agency with the goal of providing support for native communities and organizations. The Native Community Branch's activities focus on support in the following areas:
  - native heritage preservation and cultural continuity;
  - human resource and leadership development;
  - socio-economic development;
  - access to government services and resources.

  Programs include consultative services, research and information, publications, and grants. These programs are delivered through offices throughout Ontario. There are 22 regional consultants. Approximately half of Native Community Branch field officers are of native ancestry. The Native Community Branch also utilizes the consultative services of the Counselling Assistance to Small Enterprises program of the Federal Business Development Bank and the Canadian Executive Service Organization on a contract basis.

  The Native Community Branch activities, which directly support economic development are its two funding programs. These are the Ontario Native Economic Support Program and the Transfer Payments Program. Native economic development is also enhanced by the Consultative Assistance program.

- The **Ontario Native Economic Support Program** - is a component of the Community Facilities Improvement Program of the Ministry of Citizenship and Culture. The Ontario Native Economic Support Program is the mechanism for the disbursement of Ontario lottery revenues to native people in the province. It provides financial support for native initiatives which develop community facilities, economic opportunities, and management capacities. Ontario Native Economic Support Program grants are intended for projects which broadly benefit native communities. Accordingly, eligible applicants are communities, incorporated groups, band councils, and non-profit organizations.

MCC (cont'd)

Projects which may receive grants under the Ontario Native Economic Support Program fall into three sub-programs: studies, facilities, economic.

- **Studies** - assists in the funding of feasibility studies and facility safety studies. Feasibility studies intend to determine the viability of and implementation strategies for a specific project or business. Eligible costs include 75% of consultant and report preparation expenses to a maximum of $50,000.

- **Facilities** - funds renovations, additions or new development of facilities. New facility projects are funded based on demonstrated need and can include facilities which support economic development initiatives. Grants cover 75% of eligible costs to a maximum of $250,000.

- **Economic** - consists of three categories: stimulus, management development, and project specific expertise.

    - Stimulus - projects intend to stimulate economic growth opportunities. One-time funding is considered for rolling stock items and for capital stock items. Rolling stock includes vehicles and heavy equipment. Capital stock includes office furnishings and equipment, fixtures, mechanical equipment, and tourist camp equipment. Grants cover 75% of eligible costs up to $100,000 for rolling stock and $50,000 for capital stock.

    - Management Development - projects intend to assist communities and organizations with administrative and management skills. This may be accomplished by the development of management systems that improve operational performance or by enrollment in skills

MCC (cont'd)

training, workshops or seminars of 12 weeks or less. Grants cover 75% of eligible costs up to $30,000 for operational planning and $15,000 for skills training.

- Project Specific Expertise - projects assisting the employment of economic development experts on a project basis. Grants cover 75% of eligible costs up to $30,000.

The Ontario Native Economic Support Program is delivered through 11 economic support officers who assist in developing proposals, coordinating other funding, and developing terms of reference for contractors. Grant allocation tends to favour on-reserve over off-reserve projects by an approximate ratio of 2 to 1. Between October 1985 and August 1986, 63 of a total of 77 Ontario Native Economic Support Program projects were economic development-related (83%). The approximate Ontario Native Economic Support Program annual budget for economic-related projects is $3 million. Over $1 million is devoted to new business projects or business expansion.

- **Transfer Payments Program** - assists native communities and organizations in meeting their own objectives. Transfer Payments Program grants support:
  - provincial organizations
  - social development
  - human resource development
  - meetings
  - feasibility studies
  - native heritage
  - communications
  - research
  - small business creation

MCC (cont'd)

- **Small Business Program** - financially assists native organizations and communities in the development of viable business enterprises. Funding priority is given to feasibility studies and studies of the economic potential of communities. Upon receipt of an independent business viability study, contributions are considered toward initial start-up costs of small businesses. Emphasis is placed on long term viability rather than short term job creation. Applicant contributions are a condition of the grants. Applicant contributions are minimally 10% of the total cost of the project up to $10,000 and 5% of the amount by which a project's total cost exceeds $100,000. NCB funding does not exceed $25,000 in the initial of a project. Second year funding of the same project does not exceed 75% of the initial year's funding. Third year funding does not exceed 50% of first year funding.

The Transfer Payments Program is delivered through 11 native development consultants, in district offices, who respond to community-identified needs. The annual budget of the Transfer Payments Program is approximately $2.3 million. Core funding of provincial organizations accounts for approximately $1.3 million. The remaining $1 million is divided among other program components.

- **Consultative Assistance** - is made available to native groups through native community development consultants in 10 field offices across the province. Their mandate is to assist native communities, organizations and leaders in:

  - identifying local problems and needs-based project concepts;

  - advising and securing program resources for communities and organizations;

MCC (cont'd)

- linking communities and organizations with appropriate provincial ministries and specialists;
- preparing and submitting project proposals to government;
- evaluating new and existing projects.

- **Arts Organizations Grants** - contribute core funding to native organizations such as the Association for Native Development in the Performing and Visual Arts. The Arts Organizations Grants Program is operated through the Arts Branch.

- **Ontario Arts Council** - is a self-governing granting agency which assists individuals and associations. Individual visual artists and craftspeople of native ancestry have received grants on a juried basis under non-native specific grants programs such as the "Artists in the Schools" project.

  The Ontario Arts Council also has assisted the Native Indian/Inuit Photographers Association and various native cultural centres on a project basis. These include the following: The Ojibway Cultural Foundation; The Ojibway-Cree Cultural Centre, The Woodland Indian Educational Cultural Centre, The North American Indian Travelling College, and the Lake of the Woods Ojibway Cultural Centre.

- **Ontario Community Literacy Grants** - supports the development and delivery of community-based adult basic literacy programs and services for Ontario residents whose lack of literacy skills has prevented full participation in some segments of society and who have been unable to benefit from the existing institutional delivery system. The grants are allocated annually upon the application of non-profit organizations. Projects must provide outreach and referral services for local adult basic literacy programs and/or deliver such a program to fulfill the following guidelines of program structure:

MCC (cont'd)

- informal environment
- convenient location and times
- instructional methods and content relevant to local participants' experience and aspirations
- efficient operation free or at minimal cost to users

Project funding is available for:

- research
- pilot projects
- materials and curriculum development
- start-up projects, especially those in under-serviced geographic areas or for special target groups such as native people and women

- **Ontario Heritage Foundation** - awards grants for projects whcih preserve the heritage of Ontario. Eligible projects usually involve one or more of the following:

  - architecture
  - archaeology/anthropology
  - historical
  - natural heritage (e.g. parks, environment, etc.)
  - research and publications

  Grants have been obtained by Indian bands to restore on-reserve buildings and to protect a sacred burial site.

Ministry of Natural Resources (MNR)

- **Canada-Ontario Resource Development Agreement** - provides financial assistance to status Indians in Ontario who are utilizing renewable natural resources to which they have legal access for economic use. The program is cost-shared equally by the two governments but administered by Ontario. Under the agreement a tripartite advisory committee, composed of representatives from INAC, Ministry of Natural Resources (MNR), and major native organizations, recommends projects to MNR for funding. The agreement applies to matters relating to resource development, management, and harvesting which include:

    - commercial fishing, including all aspects of sustained yield production and quality control;
    - fur trapping, including all aspects of trapline management and pelt quality control;
    - forestry, including fuel wood, pulpwood and lumber production;
    - wild rice, blueberries and other wild crops;
    - deer and moose hide collection;
    - sports fishing and hunting, including instruction and assistance to guides and outfitters, and public hunting on Indian Reserves on a fee basis;
    - fishing and hunting for domestic use;
    - commercial recreation;
    - processing and marketing of products derived from renewable natural resources;
    - appropriate training in any aspect of natural resource utilization and management.

MNR (cont'd)

- A key project area developed through Canada/Ontario Resource Development Agreement funds is the Moose and Deer Hide program. The Moose and Deer Hide program organizes the collection and distribution of hides from hunters to native craftspeople. The program is administered by either bands or MNR district offices. Approximately 10-15,000 hides are distributed annually as a result of the program. Up to 40% of the total Canada/Ontario Resource Development Agreement project budget is allocated to the Moose and Hide program annually. Other areas of expenditure have included assistance to trappers and goose hunting camp operators.

  The current 5-year Canada/Ontario Resource Development Agreement expires on March 31, 1987, at which time another 5-year agreement will likely be signed.

- **Fisheries Branch**

  - **Freight Equalization Assistance Program** - administers a subsidy to northern fishermen to cover a portion of transportation costs to make economically viable sale of certain species to commercial food fishery enterprises. The program applies to fishermen located west of Lake Nipigon and north of Lake Superior. Applications are processed in northwestern regional offices and funded by MNR. Status Indians on-reserve who hold commercial fishing licences receive payments channelled through Indian and Northern Affairs Canada. Native fishermen in the Freshwater Fish Marketing Corporation (FFMC) zone are paid directly by the FFMC, who are reimbursed by MNR. Payment is made to individuals or companies on a per-pound basis. For areas accessible by road, the rate is currently $ .08/lb. of fish. For areas only accessible by air, the rate is 2/3 of transportation costs to a maximum of $ .30/lb. In 1985, of the total program output of $108,643.32, native people received $44,540.93

MNR (cont'd)

- **Commercial Fish Management** - administers licencing and quota allocations which control fish harvesting in Ontario. The Commercial Fish Management program undertakes to stimulate optimal catching, handling and marketing of fish. In the case of the sale of a commercial fishing operation from a non-native to native entrepreneur, quota allocations transfer directly. The Commercial Fish Management program funds costs related to one ministry official who acts as a liaison officer between native fishermen and the Fresh Water Fish Marketing Corporation.

- **Fisheries Industrial Development** - implements the Federal Fisheries Industrial Development Act for Ontario. The Fisheries Industrial Development program facilitates commercial ventures by technological and market research. Proposals are reviewed by a two-person federal/provincial committee after having been submitted to one of 50 MNR district offices.

  Examples of native-oriented projects to date are as follows:

  - purchase of a diesel generator motor for the Wendigo Fish Cooperative. The generator was used in the production of ice for the purpose of fish storage.

  - Sturgeon Fishery feasibility study in northern rivers. The work began in 1982 on the Moose River and has resulted in the development of a sturgeon fishery there. Stock assessment is now being conducted on the Abatibi, Mattagami, Kapuskasing, Groundhog, and Albany Rivers.

MNR (cont'd)

In 1984-85, of a total project budget of $95,000, $75,000 was spent on native projects. In 1985-86, of the $95,000 channelled through MNR by the federal government, only $50,000 has been disbursed but all of that amount has funded native projects.

- **Forest Management Agreements** - are contractual arrangements between the Crown and certain forest companies whereby a company undertakes harvesting and regeneration of forests in an agreed upon area on a sustained-yield basis. The Forest Management Agreements replaces licensing arrangements with 20-year agreements, reviewed at 5-year intervals, covering specific geographical boundaries. The terms of each Forest Management Agreement, in addition to the articulation of timber fees, address the following:
    - forest management plans and reports
    - annual allowable cut
    - measures providing for withdrawal of forest areas in the public interest
    - road costs
    - regeneration costs
    - prescriptions for forest management standards
    - productivity incentives
    - public access and use
    - third party agreements

- **Timber Licencing** - permits forest harvesting by individuals or small companies in a specific area over which Ministry of Natural Resources retains managerial responsibilities. Timber Licencing is administered through 51 field offices. A limited number of native people have received licences and a few groups have been contracted for seedling growth.

MNR (cont'd)

- **Parks and Recreational Areas Branch** - develops and manages provincial parks, canoe routes, water access points, trails, and park campgrounds and concessions. A clause in the provincial parks prospectus allows for resort development exclusively by native people in certain parks. To date no such facilities have been developed.

Ministry of Northern Development and Mines (MNDM)

- **NOR-DEV** is an economic assistance program for northern Ontario consisting of four sub-programs:
    - Employment Incentives
    - Industrial Infrastructure
    - Resource Diversification
    - Tourism Development

  Funding is provided in the form of interest-free forgiveable loans, under the terms of the Employment Incentives and part of the Industrial Infrastructure sub-programs, and direct contributions, under the terms of the Resource Diversification and Tourism Development sub-programs, and, in certain cases, under the Industrial Infrastructure sub-program.

    - **Employment Incentives** - assists in the establishment, expansion, or modernization of small business operations. Employment Incentives provides interest-free forgiveable performance demand loans of generally up to the lesser of either 50% of approved capital costs or $100,000. Applicants are required to include equity in the project of normally not less than 20% of its capital costs. The conditions of loan forgiveness are that project expenditure statements are submitted in accordance with the terms of the agreement and that all other terms and conditions of the loan agreement are met. Eligible project activities involve economically viable ventures in one or more of the following areas:
        - natural resource harvesting;
        - quarrying;
        - manufacturing;
        - processing;
        - marketing, wholesaling or warehousing of local products;
        - repair and other services for the above;
        - production and marketing of fish, including fish farming.

MNDM (cont'd)

- **Industrial Infrastructure** - assists in removing specific physical constraints to the development of identified viable small-scale projects in northern Ontario. In the case of private sector projects, funding takes the form of interest-free forgiveable loans up to a maximum of 50% of approved capital costs or $100,000, whichever is less. Private sector project assistance is delivered through the Northern Ontario Development Corporation. In the case of public sector projects, such as those of municipalities, funding is in the form of grants not normally exceeding 75% of approved capital costs or $200,000, whichever is less. Public sector project assistance is delivered through the Ministry of Northern Development and Mines. The financial participation of the project applicant must be at least 15% of approved capital costs. The conditions of loan forgiveness are that the business or businesses for which the undertaking was intended is/are operating and that the other agreement terms and conditions of the loan have been met.

  Assistance may include mapping, power and water supply, waste disposal, access and other public services. Eligible project activities are those that result in the establishment or expansion of commercial endeavours in one or more of the following areas:
  - natural resource harvesting;
  - quarrying;
  - manufacturing;
  - processing;
  - marketing, wholesaling or warehousing of local products;
  - repair and other services for the above.

- **Resource Diversification and Development** - assists individuals, corporations or groups in the undertaking of investment/pre-investment studies and administration projects for small-scale commercial activities with identified

MNDM (cont'd)

potential to expand or diversify the use of natural resources in northern Ontario. Contributions of up to 75% of approved project costs may be made to a maximum of $75,000. Investment opportunity assessments must be in the areas of natural resource harvesting, extraction, processing and marketing, or in the areas of new or expanded uses for natural resources. Projects usually take the form of consultant studies or demonstration projects involving applied technical research. Guidance to consultants is provided by the proponent along with Ministry of Natural Resources and Ministry of Northern Development and Mines personnel.

- **Tourism Development** - consists of two sub-programs:

  - Planning and Feasibility Studies - to stimulate investment in the development or expansion of tourism projects of potential regional significance. Funding to individuals, groups, or organizations may be up to 100% of the actual costs of planning studies and investment opportunities assessment, depending upon the degree of proprietary interest in the results of the study. Projects usually take the form of consultant studies. Delivery of the Planning and Feasibility Studies sub-program is through the Ministry of Tourism and Recreation.

  - Tourist Facilities Marketing - assists tourism operators to develop or expand marketing strategies to improve income, create employment opportunities, and stimulate related economic activities. Assistance is in the form of grants of 50% of approved marketing costs or $50,000, whichever is less. Delivery of the Tourist Facilities Marketing sub-program is through the Ministry of Tourism and Recreation.

MNDM (cont'd)

The NOR-DEV program spent approximately $15 million to assist 369 projects in the period of June, 1984 to February, 1986. Of that total, 3 projects were native initiatives. Two native projects were funded under the Tourism Facilities Marketing program and one under the Employment Incentives program. The Employment Incentives project received approximately $100,000 for a clothing manufacturing venture. Generally, capital requirements under NOR-DEV are mitigated for native people.

- **Northern Community Economic Development Program** - provides financial assistance for studies and seminars, the publication of promotional materials, and professional staff support for the investigation of new local economic development opportunities.

- **Winter Roads** - finances the rehabilitation and operation of approximately 515 km of winter roads for 1.5 to 2.5 months annually to reduce isolation and transportation costs of remote northern settlements. This program is delivered through the Ontario Northern Transportation Commission. The Ontario Northern Transportation Commission also supports the Muskrat Dam Freighting Company in the maintenance and operation of approximately 225 km of tractor train route serving the communities of Muskrat Dam, Sachigo, and Bearskin Lake. Winter road expansion in reserve areas is usually contingent upon federal transfer of funding.

- **Wild Rice Research** - is a five-year agreement subject to possible renewal in 1986 between the Ministry of Northern Development and Mines and Lakehead University for research into wild rice growth and commercial production factors. An extension service evolved from the program offering no charge growth potential assessments to both native and non-native groups. More than 70 lakes have been examined for potential at the request of Indian bands.

MNDM (cont'd)

- __**Agri-North**__ - is a joint program of the Ministry of Agriculture and Food and the Ministry of Northern Development and Mines. The purpose of the program is to develop the agricultural economy of northern Ontario. Agri-North is to run until March 31, 1989, or until the $10 million program budget is committed.

  The program applies to farmers who generate at least $10,000 in gross production value and own the land on which the project will take place. Status Indians in possession of land on a reserve are specifically mentioned as being eligible applicants under Agri-North.

  The Agri-North program consists of six sub-programs:

  - **Land Development** - promotes the improvement and expansion of the northern Ontario agricultural land base through land drainage and land clearing. Land drainage applicants may receive a grant covering 20% of the eligible costs of materials and labour for subsurface drainage up to $10,000. Land clearing applicants may receive a grant covering 50% of eligible costs up to the lesser of $80 per acre or $10,000.

  - **New Technology Demonstration** - promotes the testing and demonstration of new technology on farms in northern Ontario. Grants may be obtained covering up to 50% of the cost of introducing, testing, and demonstrating innovative technology.

  - **Market Development** - Grants may be obtained covering up to 100% of the costs of two types of projects:
    - studies to identify, evaluate, and access new markets;
    - promotion and marketing of new products.

    Farm organizations, commodity groups or consortiums of farmers may be eligible for assistance.

MNDM (cont'd)

- **Grain Production Development** - promotes the production and marketing of seeds, grains and oilseeds. Up to 25% of the capital cost of on-farm grain storage equipment may be covered by a grant, to a maximum of $3,000. Up to 33% of the capital cost of on-farm handling equipment, excluding vehicles, may be covered by a grant, to a maximum of $3,000.

- **Forage Production Development** - promotes improved forage preservation and storage facilities in northern Ontario. Up to 25% of eligible costs to a maximum of $2,000 is available for the purchase or construction of forage facilities such as hay storage sheds, tower silos, concrete pads, and walls for horizontal silos.

- **District Development Initiatives** - promotes northern Ontario agricultural development through local district initiatives. An incentive fund of $125,000 is available annually to encourage district-based agricultural development. Proposals for use of the fund must be generated by or submitted through District Agricultural Development Committees which are composed of district farmers.

Native participation in Agri-North, if any, is minimal.

- **Remote Airport Development and Maintenance Programs** - develops and maintains a system of public airports at remote settlements in Northern Ontario - many of which are without year-round surface access. The objective of the Remote Airport Development and Maintenance Program is to relieve social isolation and reduce transportation costs. To date, the remote airport system consists of twenty operational airports with two others under construction and one in the planning stage. There are an additional five remote communities that have requested an airport. At the present level of funding, an average of one airport per year is completed.

MNDM (cont'd)

Eighteen native communities, 16 of which are reserves, are served by the remote airport system. The Remote Airport Development and Maintenance Program has involved native people in the following aspects of airport development and operation:

- **Planning** - band councils are consulted on site selection and related concerns regarding the development of a new airport. Approval by band council resolution is a necessary condition of airport construction.

- **Construction** - local native people are hired and, where appropriate, trained by Ministry of Transportation and Communications (MTC) in airport construction skills. Carpenters and labourers are hired for building construction. Local people are trained as staff for the operation of heavy equipment, and basic maintenance of equipment. On average, 30 persons are employed annually through airport construction.

- **Operation and Maintenance** - two local band members are hired and trained as airport foreperson and assistant after involvement in the construction phase. Approximately 35 people are employed annually in operational maintenance.

The development component of the Remote Airport Development and Maintenance Program is funded by the Ministry of Northern Development and Mines. The maintenance component and overall administration of the program is funded by MTC. The Remote Airport Development and Maintenance Program is administered by the Remote Northern Transportation office. This office is assisted by the Aviation Office of MTC. MTC liaises with Transport Canada and INAC on matters within their jurisdiction. The total program budget for 1986-87 is $6,906,000.

Ministry of Skills Development (MSD)

- **Futures** - is a work experience program for employment-disadvantaged youth 16-24 years of age. On-the-job training is provided by employers in exchange for payment of a trainee's wages. The trainee is paid minimum wage ($4.00/hour) for the duration of the placement. Placements last a maximum of 16 weeks or, by special arrangement, 52 weeks. A training stipend of $100 per week may be paid to severely disadvantaged youth during full-time pre-employment preparation. The program is delivered through Futures offices throughout the province, including 26 offices located in northern communities.

  Native participation in Futures is being enhanced by delivery coordination with the Native Community Branch of the Ministry of Citizenship and Culture. The Native Community Branch is responsible for the allocation of 187 placements for on-reserve native people. Native trainees may work in positions provided by band councils, local organizations such as Women's Associations or Métis and Non-Status Indian Associations, or native businesses. Of these placements 112 are to be for 16 week periods and 75 positions are for a one-year period. In addition, Future funds have enabled the Native Community Branch to contract the services of a mobile coordinator who is a native person working toward improving native access to Futures.

- **Youth Employment Counselling Centres** - is a matching funds program which enables community agencies to establish centres for the purpose of assisting employment-disadvantaged youth aged 15-24 in job search techniques, job readiness, and finding employment. There are 62 Youth Employment Counselling Centres in Ontario. Forty-seven are urban models, 15 are smaller community models. For the period of April 1, 1986 to June 30, 1986, 3% of the total Youth Employment Counselling Centres client population was native. In larger urban centres 2.7% of the client group was native. In small community Youth Employment Counselling Centres 12.1% were native. There are three Youth Employment Counselling Centres which are operated by native groups:
  - Kettle Point Band

MSD (cont'd)

  - Osheewegan Band
  - Lovesick Lake Native Women, Burley Falls

- **Summer Experience** - provides summer employment within government ministries and associated organizations in an effort to develop career-related employment skills among Ontario students who are returning to school. Several ministries operate summer projects designed to employ native students. These include:
  - Ministry of Citizenship and Culture
  - Ministry of Colleges and Universities
  - Ministry of Northern Development and Mines
  - Ontario Women's Directorate

In 1985, 7,523 students participated in Summer Experience. Native participation in 1985 was 5.6% of the total - 421 native students.

- **Start Up** - provides interest-free loans to young entrepreneurs for the purpose of establishing new businesses. In 1985-86, Start-Up made loans to 6 native projects. The overall program consists of two sub-programs:

  - **Youth Venture Capital** offers interest-free loans of up to $5,000 over two yeas. Eligibility criteria include:

    - being aged 18-24 and out of full-time schooling or 25-29 and having graduated from post-secondary education in the past year;

    - contributing assets equaling a value of 20% of the loan amount.

MSD (cont'd)

- **Student Venture Capital** offers up to $2,000 in interest-free loans to start a summer business. Eligibility criteria include:
  - returning as a full-time student in the fall;
  - being over 15 years of age.

Start Up loans are administered through local branches of the Royal Bank. Support for business design and operation is offered by the Ministry of Industry, Trade, and Technology (for Youth Venture Capital) and the Chamber of Commerce (for Student Venture Capital).

- In September of 1986 a new strategy for skills training in Ontario was announced. It is called **Ontario's Training Strategy** (OTS). The OTS's annual budget is $100 million. The OTS is comprised of five major programs as follows:
  - **Training Consulting Service** - promotes the growth of on-the-job training in the private sector by offering advice to help firms identify their needs and to develop and implement appropriate training plans. The service is/will be accessible through 30 Ontario Skills Development Offices being established throughout the province, primarily in contract with colleges of applied arts and technology. Emphasis is on businesses with fewer than 200 employees, especially those that have not had training programs before. Funding is $15 million per year which includes $1.5 million for the development of training materials suitable to identified local needs in the case that such materials are at present unavailable. The private sector and public training institutions can bid on contracts to develop such materials.
  - **Ontario Skills** - provides businesses - especially small and medium-sized - with financial assistance for direct costs of providing training or skills upgrading for their employees. The goal of Ontario Skills is to encourage employer-based

MSD (cont'd)

training. Firms with fewer than 200 employees are eligible for assistance covering up to 80% of direct costs. Direct training costs include: fees for outside instructors, salary of employee instructors, costs of training materials and corresponding courses, and rental costs related to training. The program supports literacy and numeracy training as well as management training. Ontario Skills can be accessed through the 30 Ontario Skills Development Offices throughout the province. Access is also to be facilitated by the Training Consultative Service and a Training Hotline. Annual funding for Ontario Skills is $33.6 million.

- **Trades Updating** - is designed to enable skilled tradespeople to maintain up-to-date skills by means of short-term courses. The courses offered are for trades such as construction, automotive, and electrical. Courses are delivered primarily through Ontario's Colleges of Applied Arts and Technology and average between 30 and 60 hours on both a full-time and part-time basis. Access to the Trades Updating program is to be provided by Ministry of Skills Development Apprenticeship Offices and appropriate trade unions. Pending negotiations with the federal government, unemployed journey people may continue to collect unemployment insurance during training. Funds for accommodation, child care and transportation will be provided by the province where needed.

- **Training Access** - is an initiative designed to enhance awareness of and ensure fair access to the training services available to the Ontario public. The goal of Training Access is to broaden opportunities for training, particularly for those who have been under-represented in past training programs. Annual funding for Training Access is $32 million. Training Access is comprised of four component sub-programs as follows:

MSD (cont'd)

- Ontario Basic Skills - is aimed at equipping workers with the basic training-entry and job-entry skills of literacy and numeracy. The program can be accessed through community social agencies and colleges of applied arts and technology, community groups, unions and employer associations. It is a tuition-free program directed to individuals. Funding for the program is $25 million annually. Twenty million dollars will be made available to community colleges for preparatory and basic skills programs and $5 million will be allotted to community groups, unions and employer associations committed to this training.

- Allowances - are available to participants in Ministry of Skills Development programs to help cover expenses for child care, transportation, and accommodation. Priority is given to Ontario Basic Skills participants and to residents of northern Ontario. The total funds designated for Allowances is $3.2 million.

- Information - is designed to promote the benefits of training to both employers and the general public. A $1.3 million information and outreach campaign is to be conducted across the province. A bilingual Training Hotline serves as a central source of information and referral to training services for employers.

- Special Projects - is available to stimulate development of innovative approaches to training, especially as they address special access and training needs. The Special Projects fund is expected to be utilized by women, the disabled, and native people. The annual budget for Special Projects is $1.2 million.

MSD (cont'd)

- **Institute for Skills Training** - is being established in partnership with business, labour, and educators (at present forming a 15 member steering committee) to develop training products, methods, and services. This will be carried out by:
    - maintaining a Skills Bank of training materials available to employers;
    - establishment of a Skills Technology Fund to develop high technology training;
    - improvement of Professional Development courses for both training instructors and consultants - Train the Trainers;
    - providing expert labour market analysis

Ministry of Agriculture and Food (MAF)

- **Agri-North** (see *Ministry of Northern Development and Mines*)

- **Agricultural Field Offices** - offer technical, management, and government program advice in the 54 counties and districts in Ontario. Each office has an agricultural specialist and a farm management specialist. Regional needs determine additional staff such as engineers, horticulturalists, or livestock, crop, and land-use specialists. Counselling is available to advise regarding eligibility criteria and appropriateness of Ministry of Agriculture and Food programs. Agricultural Field Offices operate by means of:
  - field visits
  - telephone inquiry response
  - field training sessions
  - local newsletters
  - arranging for short training courses in local colleges

  It is estimated that 5 native bands have received technical advice through contact with 4 field offices.

- **Farm Operating Credit Assistance Program** - provides interest reduction grants and operating loan guarantees in order to improve cash flow and access to credit on an annual basis up to three years. Program participants arrange financing through financial institutions based on sound production and financial management plans. Eligibility criteria of the Farm Operating Credit Assistance Program are:
  - 10-60% equity
  - annual production value greater than $12,000.00

- **Ontario Farm Adjustment Assistance Program** - provides assistance, with re-financing potentially viable farm enterprises which are experiencing financial difficulty despite previous Ontario Farm Adjustment Assistance Program assistance. Six month interest

MAF (cont'd)

deferral guarantees are available as are renewals of callable Ontario Farm Adjustment Assistance program guarantees. The conditions for the guarantee of deferred interest are:

- 10-60% equity
- excess of $12,000.00 annual production values
- interests and principal payments exceed 20% of farm operating costs

For a renewal of a callable guarantee only the last criterion of the list above applies.

- **Ontario Family Farm Interest Rate Reduction Program** - offers grants to reduce interest on up to $200,000.00 of a farmer's long term debt, to 8 percent. Applicant must:

  - be an Ontario resident for at least six months annually and personally operate a farm in Ontario which, under normal circumstances, can provide a family living
  - have equity of not more than 75%, but not less than 10%
  - have a net worth of less than $500,00.00
  - have a reasonable chance of success
  - for each dollar covered under one program, farmer must deduct one dollar from upper limit of the other dropped

- **Ontario Beginning Farmer Assistance Program** - provides a rebate of interest charges on loans up to $350,000 from approved lenders. The rebate is equal to the difference between the Farm Credit Corporation five-year rate and 8% and is not affected by individual lending rates. Beginning farmers are those who have never owned a viable

MAF (cont'd)

farm or have never spent a majority of their time or earned a majority of their income from farming assets over which they have had control, through ownership, rent or lease.

- **Ontario Young Farmer Credit Program** - offers immediate term credit for young farmers between 18 and 35 years of age, through lender guaranteed loans for terms up to 10 years from chartered banks and designated credit agencies at the rate of interest not exceeding prime +1%. Loans may be used for expansion or starting up a farm operation. Applicants must have sufficient experience and competence to conduct a farming operation. A production plan for the farm is submitted with the application and the amount, terms and repayment schedule of each loan is determined in consultation with local OMAF staff, based on the repayment capacity of the borrower. Loans are made at the discretion of the lender.

- **Ontario Tender Fruit for Processing and Tree Planting Assistance Program** - provides rebates on the cost of trees (minimum 150) for new planting, or the equivalent of not less than 10% of existing Clingstone peach or Bartlett pear trees when used for "gap fill in". Production value must be $8,000 or more. Applicants must have a satisfactory planting site, and may own or lease the land.

- **Soil Conservation and Environmental Protection Assistance program** - provides a grant of one half of the cost, to a maximum of $7,500, for eligible erosion control projects associated with soil management, and-one third of the cost to a maximum of $5,000 for eligible improvements to manure storage systems. Individuals, partnerships and corporations must meet a $12,000 annual production income requirement.

- **Ontario Storage and Packing Assistance Program for Fruit and Vegetables** - provides grants to packers and growers of Ontario fruits and vegetables, of one-third of the total cost, up to $85,000, for construction of or renovations to storage and packing facilities, and

MAF (cont'd)

for packing equipment. A minimum gross income of $8,000 from growing or packing Ontario-grown fresh fruit and vegetables is required of applicants. Applicants must not be receiving a grant for the project under any other provincial or federal government program. Minimum project cost is $3,000.

- **Ontario Seasonal Housing Assistance Program** - provides grant of 50% of the cost of construction or renovation of seasonal housing up to a maximum of $10,000 per farmer or $1,000 times the number of workers approved by the Medical Officer of Health, whichever is less. Value of production of farm products must be $8,000 or more.

- **Tile Drainage Act** - provides low interest loans to farmers installing tile drainage. Individuals, partnerships and corporations owning land used for agricultural purposes can apply. The loan is a percentage of the total cost up to a maximum. The interest rate, percentage loan and maximum loan may vary from year to year.

- **Northern Ontario Livestock Transportation Assistance Policy** - provides grants to northern Ontario livestock producers of 50% of transportation costs from southern or northern Ontario (or 33 1/3% of transportation costs from Quebec or Western Canada), for dairy or beef cattle, sheep or swine of certain standards of performance purchased outside the district.

- **Livestock Improvement Program for Northern Ontario** - provides grants to northern Ontario livestock producers of 20% of purchase cost of dairy cows, heifers, beef bulls, rams, ewes and boars purchased anywhere in Ontario.

Ministry of Transportation and Communications (MTC)

- **Municipal Roads** - provides subsidies for the construction, maintenance, or improvement of public roads in municipalities, reserves, and areas without municipal organization. The rate of grant assistance is generally 50% of approved costs for roads and 80% for bridges. The Municipal Roads program is delivered through MTC offices in 18 districts in 5 regions. Three districts include remote reserves. In 1983-84, 45 bands received a total of $3 million to match their own monies under the general Municipal Roads program. Funding for 47 bands in 1986 was approximately $2 million. Under a special Municipal Roads sub-program targeting the far north, $340,000 was allotted to 31 reserves and other native settlements. In 1985 $250,000 was allotted to remote northern communities.

- **Remote Airport Development and Maintenance Programs** (see *Ministry of Northern Development and Mines*)

Ministry of Industry, Trade and Technology (MITT)

- **Ontario Development Corporation, Northern Ontario Development Corporation, Eastern Ontario Development Corporation** - promote economic development through financial and advisory services to businesses. Financial assistance may take the form of guarantees, term loans, incentive loans, or export support lines of credit. Assistance is available for tourism operations, secondary manufacturing industries, and services which support manufacturing. Projects which may be financed are those which involve:

    - establishment of a new business
    - expansion of existing businesses (facility or equipment)
    - productivity improvements and initial production stemming from new technology
    - export sales
    - the purchase of fixed assets of Ontario-based foreign-owned companies
    - development of tourism facilities
    - the purchase of pollution control and energy saving equipment

    Guarantees are available on amounts under $1 million. Loans of up to $500,000 may be obtained. The maximum amount for an export credit line is $1 million. The ODC, NODC, and EODC are Crown corporations which deliver various programs for Ontario ministries and agencies.

- **New Ventures Program** - offers 5-year personal loans of up to $15,000 on a cash equity matching basis for small business start-ups. New Ventures Program is delivered through over 1600 branches of participating financial institutions (Toronto Dominion Bank, Bank of Montreal, Canadian Imperial Bank of Commerce, Royal Bank of Canada, Bank of Nova Scotia, and the National Trust Company). Fixed asset security is not required; only a personal promisory note. Loans are available to all businesses with the exception of professional practices and farming operations.

MITT (cont'd)

- **Export Success Fund** - grants up to $20,000 to manufacturers, trading houses, trade associations, and marketing consortia to support a variety of export marketing activities. The Export Success Fund also provides loans of up to $50,000 to consulting engineers, architects, management consultants, contractors, and capital equipment builders to bid on international projects. Of the $5.4 million 1986-87 budget, $5.5 million has been approved.

- **Innovation Ontario Corporation** - focuses on early stage technology-based activity which is not currently being supported by the private sector. It assists in the formation and development of technology-based enterprises through:

    - pre-venture assistance
    - technology licensing and joint-venture assistance
    - institution supplier development
    - innovation resources
    - venture incentive fund

Ministry of Tourism and Recreation (MTR)

- **Canada-Ontario Tourism Development Program** - is jointly funded by the federal and provincial government under a subsidiary agreement to the Economic and Regional Development Agreement. This 5-year subsidiary agreement is scheduled to end in 1989. The objectives of the agreement are:

    - to encourage the development of internationally competitive tourism travel generators by stimulating private sector investment;

    - to generate significant new income and employment opportunities

    - to contribute, over the longer-term, to a reduction of Ontario's travel deficit by:
        - encouraging in-province travel by non-residents, particularly those from the United States
        - encouraging in-province vacations by residents
        - extending the duration of visits to the province
        - broadening the shoulder and off-season nature of the industry

    - to contribute to the regional development goals of the federal and provincial governments

    - to contribute to the orderly growth and balanced development of the tourism industry in Ontario

    There are four components to the Canada-Ontario Tourism Development Program. They are as follows:

    - Studies
    - Product Development
    - Marketing
    - Visitor Services

MTR (cont'd)

General eligibility criteria are applicable to each of the four program components. Emphasis is placed on the development of major year-round destination resorts and other major travel generators. To be considered for assistance projects must:

- be located outside Metropolitan Toronto
- be unlikely to proceed without government support
- have a ratio of equity to total liabilities on a pro forma basis of not less than 20%
- have controlling shareholder contributions of at least 50% of required equity
- be considered commercially viable

The maximum provincial and federal contribution to a project cannot exceed 50% of the project cost under Product Development or 75% for other program components.

- **Studies**

  - Feasibility Studies - provide a catalyst for investment decisions by the private sector. Feasibility studies are usually undertaken by consultants with direction from the applicant and a government project officer. Assistance may be provided to applicants including formal or informal groupings as well as other legal bodies, individuals, and associations.

    Projects to be studied must be potentially eligible for assistance under the Project Development program component. Appropriate studies are those which determine project feasibility from the point of view of administration, operational and financial viability, market demand and project design. Funds may also be provided for the development of a financial prospectus and for investment sourcing.

MTR (cont'd)

- Planning Studies - funds planning studies which provide subregional and sectoral analyses required to identify opportunities for tourism development. Studies may also identify and assess development options which stimulate private investment. Planning studies are usually undertaken by consultants with direction from the applicant and a government project officer. Assistance may be provided to applicants including municipaliteis, formal or informal gorupings as well as other legal bodies, individuals, and associations.

- **Product Development** - assists in the development of major tourist resorts, attractions, or events by stimulating private sector investment in tourism operations. The Product Development program includes also upgrading and development of associated ancillary facilities and services. Assistance may be provided to applicants including formal or informal groupings as well as other legal bodies, individuals and associations. Organizations such as municipalities, conservation authorities, government agencies, public foundations are not eligible.

Projects involve capital develop including the purchase of equipment, new construction and improvements to existing buildings and facilities as well as the necessary access, sewer, water and power requirements for approved projects.

To be eligible for assistance projects must have eligible costs in excess of $1 million. Work must be completed and the facility in operation before November 1, 1990.

MTR (cont'd)

- **Marketing** - helps create domestic and foreign markets for travel generators and destination resorts assisted under the Product Development Program. Financial assistance may be provided for the development of marketing and promotional programs for eligible projects. Marketing costs must be distinct from and incremental to existing marketing activities.

- **Visitor Services** - assists the travel industry in the development of sophisticated and coordinated guide services. Assistance may be provided to applicants including formal or informal groupings as well as other legal bodies, individuals and associations, for tourism development in Ontario.

  Projects involve the identification of specific guiding needs, assessment of delivery options, provision of assistance for the organization and establishment of guide services and provision for research, development, and marketing of package tours oriented to identified market needs in Ontario.

- **Capital Construction Assistance Program for Northern Ontario** - provides small northern tourism businesses with loans for renovations, expansions, new tourism accommodation facilities, and attractions.

  Loans are interest and principal payment free up to five years. Eligible northern businesses receive funds under the following conditions:

  - for renovations and the addition of recreational amenities to cover 50% of the approved capital costs, up to $100,00

  - for expansions to cover 50% of approved capital costs, with a maximum loan of $200,000

MTR (cont'd)

  - for new tourist accommodation developments and new or expanded tourist attractions, loans of up to $500,000

- **Working Capital Assistance Program for Northern Ontario** - assists eligible northern Ontario tourist operators in the short-term financing of working capital. Term loans are available for up to $50,000 at prevailing Ontario Development Corporation interest rates. Tourism accommodation establishments and attractions, who are unable to obtain working capital financing from conventional lenders, are eligible to apply for loans. Priority consideration is given to areas in the north with a pressing need to diversify their economic base.

- **Large Scale Tourism Program** - provides funds to identify large scale tourism projects for the north. Consideration is given to both public and private major tourism projects. Eligible projects include attractions, major destination facilities and infrastructure services.

- **Northern Ontario Tourism Marketing Program** - is a new marketing program initiated as part of the Destinations North package of initiatives to increase tourism in northern Ontario. The program will cost $2 million over two years. The program utilizes both short and long-term tourism marketing strategies. In the short-term, the marketing program will feature northern communities, attractions, hospitality and outdoor adventure, and will be aimed at southern Ontario and U.S. border states. The long-term strategy will be directed at more distant U.S. cities and selected European countries. This part of the program includes providing the northern tourism industry with marketing advice.

Ministry of the Solicitor General (MSG)

- **Indian Constable Program** provides for policing services on 65 reserves. It is an economic program to the extent that it provides employment opportunities and training specifically for native individuals. Bands appoint constables by council resolutions to be trained by Ontario Provincial Police Commissioners. Native constables receive standard training with the addition of specialized community involvement training. At present, 132 native constables are employed. This program is cost-shared 52% federal government and 48% Ministry of the Solicitor General.

Ontario Women's Directorate (OWD)

The Ontario Women's Directorate coordinates the development and communication of programs and policies for the women in Ontario. Its stated aim is economic and social equality for women in Ontario.

The Ontario Women's Directorate has five main objectives:

- to identify women's issues and priorities
- to analyze and evaluate existing and proposed legislation, policies and programs for their impact on women
- to develop and coordinate policy and program initiatives benefiting women
- to encourage and act as a resource to public and private sector groups implementing programs benefiting women
- to inform the public about women's issues
- Of particular relevance to native women in Ontario is the **Ontario Women's Directorate Community Grants Program** which finances community-based projects which further the aim of the Ontario Women's Directorate. Individuals and organizations with innovative project ideas are eligible to apply for a grant.

  The Ontario Women's Directorate has established the following priority issues and target groups for the Community Grants Program:

  Priority Issues
  - employment equity (equality of opportunity in the workplace)
  - pay equity (equal pay for work of equal value)
  - family violence
  - education and training (employment-related)
  - the impact of technology

OWD (cont'd)

- justice issues (such as equality rights, sexual assault and pornography
- child care

Target Groups

- native women
- immigrant women
- visible minority women
- rural women
- women in the north
- elderly women
- low income women
- girls and young women

Grants average between $5,000 and $20,000. Projects must be completed within one year and must include an evaluation component. Among the projects that have received grants is a conference for native women in northern Ontario on starting and operating a business.

The Ontario Women's Directorate has a policy advisor with particular responsibility for issues affecting native women and a community outreach program based in Thunder Bay with a focus on native women.

Ministry of Colleges and Universities (MCU)

The system of colleges and universities in Ontario offers a number of courses and programs directed specifically towards native needs and interest. Several universities have native studies departments. The following are examples of native-specific course subjects offered at Ontario universities:

- journalism
- law
- teacher education
- community development
- social work

Colleges throughout the province have developed courses which directly impact the level of skills amongst the native population. Preliminary surveying of 11 colleges, the groundwork for a comprehensive Ministry of Colleges and Universities evaluation now in progress indicates more than 80 courses specifically designed for and/or delivered to native people in Ontario. The following are examples of subjects offered:

- business administration
- small business development (e.g. cottage industries - duffle coat production, crafts, tourism, etc.)
- trades (e.g. masonry, carpentry, welding, secretarial, science, etc.)
- primary industries (e.g. hunting, fishing, greenhouse worker, horticulture, etc.)
- band management and economic development
- computer operation

Ministry of Treasury and Economics (MTE)

- **Canada-Ontario Economic and Regional Development Agreement** - facilitatees coordination of federal and provincial efforts to:
    - enhance the economic and regional development of Ontario
    - improve opportunities for the people of Ontario to participate in and benefit from the economic and regional development of the province
    - contribute to the expansion of the national economy through the development of productive enterprise in Ontario in a manner that will allow the realization of the economic potential of every region in the province by consulting and coordinating, where possible, and planning and implementation of economic and regional development policies, programs and activities of both governments.

The Canada-Ontario Economic and Regional Development Agreement makes provisionfor annual meetings of ministers, subsidiary agreements, and memoranda of understanding. Small levels of funding from subsidiary agreements emanating from the Canada-Ontario Economic and Regional Development Agreement have been accessed by native people in Ontario.

PROGRAM DESCRIPTIONS - NATIVE AND PRIVATE

- Indian Forestry Development Program
- Ontario Indian Economic Development Board
- Association of Reserves for Improving Social Economics
- Project Northtalk
- Ontario Métis and Non-Status Indian Association Development Corporation
- Indian Agricultural Program of Ontario
- National Indian Arts and Crafts Corporation
- Northern Hides Incorporated
- Canadian Council for Native Business
- Mohawk Development Corporation Akwesasne
- Lakehead University Consulting Services
- Canadian Executive Services Organization
- Nishnawbe-Aski Development Fund

Indian Forestry Development Program

The Indian Forestry Development Program operates in the Treaty 3 area of Ontario, which encompasses 23 bands in the Kenora-Fort Francis-Dryden areas, by providing assistance in the provision of management and silvicultural planning for area reserves. The Indian Forestry Development Program's recent activities have included tree planting and tending, reserve land management planning, inventories, and training to many reserve members in various aspects of forestry. The program is assisted financially by the Ontario region of Indian and Northern Affairs Canada and by the Ontario Ministry of Natural Resources in the form of office space, equipment, and technical advice. The Indian Forestry Development Program has articulated the following goals and objectives for the period of 1987 to 1991:

- establish and maintain information in the form of forest inventories and forest management plans for constituent reserves;

- improve the quantity and quality of growing stock on reserves by ensuring that up-to-date data on existing plantations and contemporary techniques are maintained;

- provide a liaison and advisory service to bands and band members wishing to operate fishery activities on Crown and company lands as well as reserve areas;

- promote forest management training for a selected number of band members;

- coordinate forest operations through the drafting of funding proposals for various activities.

Ontario Indian Economic Development Board

The Ontario Indian Economic Development Board provides advice and recommendations to government departments and agencies concerning the nature, content and delivery of programs and services designed to assist Indian economic development in Ontario. The Board carries out its mandate by:

- identifying existing programs, opportunities and resources available to Indian communities;
- identifying and analyzing problems and benefits associated with the implementation and delivery of programs;
- providing direction and advice to appropriate agencies for achieving the objectives of Indian economic growth;
- promoting public awareness of Indian goals and achievements;
- ensuring a continuing flow of information between public and private assistance agencies;
- advising on utilization of the necessary development of resources from all legitimate private, public and institutional agencies.

Association of Reserves for Improving Social Economics (ARISE)

Association of Reserves for Improving Social Economics provides business advisory services and extension loans to be utilized for economic development by bands in the London, Ontario area. ARISE is an incorporated, non-profit service organization which is owned by 10 local bands. It is managed by a native board of directors. In addition to its lending function, ARISE has the mandate of collecting monies and accepting donations, grants, bequests, and other forms of assistance and to hold and expend these in furtherance of its objectives. At present, the maximum loan attainable through ARISE is $25,000.

Project Northtalk

Project Northtalk promotes the creation of networks between northwestern Ontario native peoples and business people and organizations with a view to fostering private sector involvement in the native economy. Project Northtalk is currently planning a symposium for January, 1987 in accordance with the above mission.

Ontario Métis and Non-Status Indian Association Development Corporation

The Ontario Métis and Non-Status Indian Association Development Corporation enhances the economic development of Métis and non-status Indian people living off-reserve in Ontario. Its objectives are to develop and enhance the establishment of self-sustaining capital and equity funds, to support existing native business, and to encourage new native enterprises. The OMNSIA Development Corporation operates in four modes:

- initiation and operation of business ventures (e.g. real estate and housing complex)
- facilitation of native utilization of existing federal and provincial programs (e.g. tourism development)
- financial assistance (e.g. loans and guarantees)
- business advice and training (e.g. access to market information and management instruction)

Indian Agricultural Program of Ontario

Indian Agricultural Program of Ontario is a membership-based organization made up of 33 bands in Ontario. The Indian Agricultural Program of Ontario deals directly with status-Indian farmers in the dissemination of technical and farm management information and financial planning assistance. Much of the IAPO's activity to date has related to the initiation of relationships with key agricultural sector agencies with a view to increasing both their relevance to Indian farmers and mutual awareness. The stated objectives of the IAPO are:

- to develop and implement plans and policies for the potential for agriculture on Ontario Indian reserves
- to create, enlarge and administer a fund to be used for the benefit and development of Indian farmers
- to provide financial assistance in the form of contributions and loans to Indian farmers on a direct and indirect basis
- to provide management and extension services of all kinds to assist Indian farmers in making the optimum use of agricultural lands within the reserve
- to assist in the development of business skills among native farmers
- to investigate and encourage Indian farmers to make use of assistance programs offered by other agencies and institutions

The IAPO has set as a target that 250 farm units be developed within the Indian community over the next 5 years. Other program emphasis is being developed in the area of increasing access to services employed by the general Ontario farm community, and in the area of tailored training programs.

The IAPO is managed by an Indian board of directors, representing regional districts with agricultural potential, and six district advisory boards which ensure band representation and community involvement.

National Indian Arts and Crafts Corporation

The National Indian Arts and Crafts Corporation is a non-profit organization designed to develop native arts, crafts, and related industries by the provision of funding and advisory services to provincial/territorial arts and crafts corporations. Its mandate is to be the representative body for native artists, artisans, and craftspeople in Canada and to promote and develop viable enterprises and industries in native arts and crafts. It maintains a national board of directors comprised of the presidents of the regional member corporations elected by native artists and craftspeople. The regional corporations affiliated with the National Indian Arts and Crafts Corporation provide on/off-reserve development assistance through:

- financial and technical assistance;
- craft production and management training programs;
- job creation/maintenance projects;
- promotion of special production and marketing endeavours involving individual native producers, cottage industries, or production centres.

The National Indian Arts and Crafts Corporation in conjunction with its affiliated regional organizations provides a networking service called the National Business Referral Service which links prospective buyers to producers/retailers of authentic native arts and crafts. The National Business Referral Service provides business and artistic information on native artists, craftspersons, and retailers, as well as information related to products and raw materials.

At present, the Ontario region is a period of transition and does not have one representative corporation affiliated with the National Indian Arts and Crafts Corporation through which the above services are offered.

Northern Hides Incorporated

Northern Hides Incorporated is a private company with shares held in trust for the benefit of native people by the National Indian Arts and Crafts Corporation.

It is currently managed on a contractual basis by an independent accountant pending transfer to a suitable native group. Northern Hides Incorporated coordinates the tanning, marketing and distribution of deer and moose hides collected by Ministry of Natural Resources regional offices under the Canada-Ontario Resource Development Agreement. It operates as a business, but on a cost-recovery basis only.

Northern Hides Incorporated provides hide at cost-recovery prices to any native groups or individuals requesting the service. It operates on a quality-grade basis. These categories are "premium", "craft quality", and "reject". The "reject" hide is given free-of-charge to cultural organizations, schools, training programs, etc.

Some of the required tanning is done out-of-province as the capacity for the specialized "self-tanning" process is in short supply in Ontario.

Canadian Council for Native Business

The Canadian Council for Native Business is an organization of private sector individuals with the purpose of advancing the economic development of native people in order to enhance Canadian economic development. The Canadian Council for Native Business is designed to be a vehicle for assisting native and non-native communities in becoming aware of and responding to business opportunities for native people. The objectives of the Canadian Council for Native Business are as follows:

- inform and update the broader community on problems facing good economic development for native people and for Canada

- encourage native peoples and their communities to participate in the broader business community in order to take advantage of the many services that are available to Canadian businesses

- encourage business people to involve themselves directly with native people through joint ventures, investment, contracts, employment and consultation, for mutual enlightenment and benefit

- advance the economic development of native peoples through guidance and expertise where possible

- assist in economic development of native peoples through training and education by direct involvement using scholarships, apprenticeships, demonstration, sponsorships

- work closely with organizations working to enhance the economic development of native peoples

Mohawk Development Corporation Akwesasne

The Mohawk Development Corporation Akwesasne facilitates economic and business development on the Akwesasne Reserve in order to generate jobs and revenue for self-government. The Mohawk Development Corporation holds equity and community-based ventures in manufacturing, agriculture, tourism, and recreational developments. It also supports individual small business ventures.

Lakehead University Consulting Services

Lakehead University Consulting Services offers educational and consulting services to native peoples and government primarily in the socio-economic area.

Canadian Executive Service Organization

The Canadian Executive Service Organization (CESO) offers the consulting services of volunteers with executive experience to band councils and native people as requested. CESO receives financial assistance from Indian and Northern Affairs Canada (INAC). In 1985-86, 1,208 projects involving native people were undertaken. Ontario projects accounted for 116 of that total. The Ontario projects were in the following sectors:

- 16 in manufacturing (e.g. crafts, food and beverages, textiles, etc.);
- 3 in agriculture;
- 16 in primary resources (e.g. fishing, forestry, mining, etc.);
- 67 in services (e.g. accounting and finance, advertising, aviation, communications, tourism, retailing, data processing, etc.);
- 16 in local government (e.g. education, health and welfare, administration, etc.).

Nishnawbe-Aski Development Fund

The Nishnawbe-Aski Development Fund is an incorporated body which assists members of the Nishnawbe-Aske Nation in promoting and developing economic projects through which employment opportunities will be improved and/or participation fostered. The Nishnawbe-Aski Development Fund seeks to facilitate greater use of external-source funding by means of loan guarantees and the fostering of relationships of mutual trust. In general, the Fund is intended to provide members of the Nishnawbe-Aski Nation with access to financial resources for commercial purposes on reasonable terms. It has been designed to enhance existing commercial organizations, agencies, or government programs.

The principal objectives of the Nishnawbe-Aski Development Fund are as follows:

- to promote, encourage and assist the economic development of the Indian people of Nishnawbe-Aski Nation
- to promote, encourage and assist the development of Indian-owned enterprises and business activities
- to provide employment opportunities for the Indian people of Nishnawbe-Aski Nation
- to provide business advice and technical assistance to Indian businesses and enterprises
- for the objects aforesaid to provide access to financial resources by means of loans, grants and equity investments, and by encouraging and facilitating assistance from other financial institutions
- to cooperate with other organizations whether incorporated or not, which have objects similar in whole or in part to the objects of the corporation

Appendix E: Future Information and Research Requirements

Data on many detailed aspects of native economic conditions and prospects are inadequate. While not restricting current research and information initiatives of various ministries, there is a need for follow-up research and data gathering in four key areas:

A. Socio-Economic and Business Conditions
B. Economic Development Opportunities
C. Economic Programs
D. Constraints to Development

Following are a number of topics where there are current data gaps and/or where follow-up research will eventually be required to support development, implementation and/or evaluation of more relevant, comprehensive and coordinated economic development programs.

A. *Socio-Economic and Business Conditions*

- the financial and economic significance of ***traditional and non-wage pursuits*** to the native economy
- ***regional patterns and trends***, especially differences amongst the northwest, northern, eastern, southern and southwestern regions of the province
- the effect of ***exemption from personal income tax*** for incomes earned on-reserve by status Indians
- the financial and economic significance of ***special programs and benefits*** available to native people (e.g. education allowances, non-insured medical benefits, and housing support for status Indians)
- the effect of ***cost of living*** in rural and remote areas on native people already suffering from low employment and low income
- the nature and form of ***financial leakages from native communities*** through purchase of "imported" goods and services from outside the community
- ***linkages between economic conditions and health and social conditions*** among native people
- the overall state and condition of the ***physical infrastructure*** in native communities - especially commercial, industrial and transportation facilities
- the longer-term ***social and economic impacts of Bill C-31*** (An Act to Amend the Indian Act), which provides for new or reinstatement of Indian status (as defined by the Indian Act) for those who had previously lost or been denied status as a result of discriminatory sections of the Act.

B. *Economic Development Opportunities*

- detailed assessment of specific **economic opportunities in given sectors and regions**
- identification of specific ***opportunities facing natives living in major urban centres and other off-reserve situations***, in particular in areas where there are smaller concentrations of native peoples
- the ***impacts of Bill C-31*** on economic opportunities and conditions
- the ***impacts of constitutional recognition of aboriginal and treaty rights, and claims settlements*** on economic conditions and prospects
- the overall ***impact of longer-term economic conditions and factors*** such as ***free trade*** negotiations, ***northern development*** initiatives, and special efforts in ***particular sectors such as tourism***

C. *Economic Programs*

- overall ***level of program resources and expenditures*** on native economic development and related community development (as well as other areas of native policy and program activity)
- overall ***level of participation and take-up*** of programs by native people, including both universal and native-specific program elements
- ***evaluation and assessment of the outputs, impacts and effects*** of native economic development programs, to provide a better assessment of their ***relevance*** and ***effectiveness***
- an assessment of the ***feasibility of greater use of native-owned and controlled institutions*** for program design and delivery

D. *Constraints to Development*

- more detailed analysis of the ***impact of barriers and obstacles*** in given communities and regions

- analysis of ***alternative approaches to overcoming barriers and obstacles***

- assessment of particular opportunities for ***native-owned and controlled economic institutions to overcome specific economic barriers and obstacles*** in given sectors and/or regions/ communities.

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